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FBIS-SOV-92-220 CONTENTS *13 November 1992*

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FRONT PAGE

ARMS CONTROL & DISARMAMENT

Russian Deputy Defense Minister on Nuclear Missile Forces *[IZVESTIYA 13 Nov]* 2
Belarus Plans for Arms Reduction, Missile Withdrawal Noted *[KRASNAYA ZVEZDA 7 Nov]* 2

INTERREGIONAL AFFAIRS

Heads of Government Convene in Moscow

Leaders Discuss Charter; Ukraine, Turkmenistan Oppose *[ITAR-TASS]* 4
Ukrainian Premier Reports No Major Disagreements Among Leaders *[ITAR-TASS]* 4
Meeting Ends; Ukraine Rejects Charter *[ITAR-TASS]* 4
Kuchma, Gaydar, Kebich Comment on Meeting *[ITAR-TASS]* 4
Belarusian Premier Endorses Concept of Coordinating Body *[Moscow Radio]* 5

Foreign Ministers Prepare Heads of State Meeting

Commonwealth Charter Dominates Discussions *[ITAR-TASS]* 5
Russian Deputy Minister Praises 'Sound Basis' for Work *[ITAR-TASS]* 6
Draft of CIS Charter Incorporates Expanded Principles Section *[ITAR-TASS]* 6
Russian, Ukrainian Ministers on Prospects for Draft Charter *[INTERFAX]* 7
Tajik Foreign Minister Wants Russian Army To Enforce Emergency *[INTERFAX]* 7
Azerbaijani, Armenian Ministers on Nagorno-Karabakh Situation *[INTERFAX]* 8
Officials Interviewed on Need for CIS Charter *[Russian TV]* 8

Peacekeeping Issues

Presidential Representatives Expected in Dushanbe 13 Nov *[Moscow Radio]* 8

Defense Issues

Conference Discusses Collective CIS Security *[KRASNAYA ZVEZDA 11 Nov]* 8
Black Sea Admirals, Ukraine Envoy Interviewed *[Russian TV]* 11
CIS Joint Armed Forces' Pyankov Interviewed *[INTERFAX]* 13

Baltic Issues

Energy Officials Propose Joint Natural Gas Pipeline *[ETA NEWS RELEASE]* 15
Justice Ministers Sign Legal Assistance Agreement *[ETA NEWS RELEASE]* 16
Baltic States, Belarus Discuss Future of Nuclear Energy *[ETA NEWS RELEASE]* 16

Miscellaneous Issues

Congress of Muslims Condemns Schismatic Movements *[IZVESTIYA 12 Nov]* 16
ITAR-TASS Reviews 13 November Press 16

RUSSIA INTERNATIONAL AFFAIRS

Yeltsin Letter Affirms No U.S. Citizens 'Held Forcibly' in Russia *[IZVESTIYA 13 Nov]* 18
Further on Commission's Findings *[ITAR-TASS]* 18

  - 'Text' of Yeltsin Statement *[ITAR-TASS]* ... 19
- Ambassador Lukin on 'New Potential' of Clinton Presidency *[MOSKOVSKIYE NOVOSTI 15 Nov]* ... 19
- Clinton Shows 'No Hurry' To Make Cabinet Appointments *[IZVESTIYA 11 Nov]* ... 20
- Article Notes Clinton Intends To Keep Election Promises *[PRAVDA 11 Nov]* ... 21
- Adviser Tells Jimmy Carter Reforms Continue *[INTERFAX]* ... 22
- PRAVDA Sees 'Complex Times' Ahead for U.S.-Russian Ties *[12 Nov]* ... 22
- IZVESTIYA Sums Up Strauss' Work as Ambassador to Moscow *[7 Nov]* ... 24
- Foreign Minister Kozyrev Arrives in France For Talks *[ITAR-TASS]* ... 24
  - Kozyrev, France's Dumas Sign Agreements *[ITAR-TASS]* ... 25
  - Kozyrev Reviews Talks With Mitterrand *[ITAR-TASS]* ... 25
  - Kozyrev Views Treaty, Domestic Situation *[ITAR-TASS]* ... 25
- Yeltsin Seeks UN Consideration of Baltic Human Rights *[ITAR-TASS]* ... 26
- Government Directive Sets Up Troop Withdrawal Commission *[KRASNAYA ZVEZDA 11 Nov]* ... 26
- Churkin, Air Defense General on Baltic Withdrawal *[MOSKOVSKIYE NOVOSTI 10 Nov]* ... 27
- Government Adopts Measures on Funding Troops in Baltics *[KRASNAYA ZVEZDA 12 Nov]* ... 27
- Official: No Plans for Yeltsin To Visit Japan in Dec *[ITAR-TASS]* ... 27
- Japanese Delegation Urges Kurils Solution *[ITAR-TASS]* ... 28
- Kozyrev Discusses Tajik Peacekeeping Mission's Results *[NEZAVISIMAYA GAZETA 12 Nov]* ... 28
- Kozyrev Wants Russia To Act as 'Peacemaker' in Tajikistan *[NEZAVISIMAYA GAZETA 11 Nov]* ... 29
- * Article Weighs Use of Force in Caucasus *[NEZAVISIMAYA GAZETA 7 Nov]* ... 30
- India Interested in Buying Russian Warships *[ITAR-TASS]* ... 31
- Deputy Minister Sees 'Great Solution' to 'Nuclear Forces' *[INTERFAX]* ... 31
- Shumeyko Says Military Spending One-Eighth of USSR's Expenses *[INTERFAX]* ... 31
- Government Sets Up Russian-British Trade Committee *[ITAR-TASS]* ... 32
- Moscow Plans To Pay Off Chinese Credits With Weapons *[INTERFAX]* ... 32
- Kozyrev Stresses Historic Friendship With PRC *[ITAR-TASS]* ... 32
- Mongolian Defense Minister Notes 'Difficult Situation' in Ties *[KRASNAYA ZVEZDA 7 Nov]* ... 32
- Government Increases Control Over Imports, CIS Exports *[BALTFAX]* ... 33
- Government Makes No Moves To Extradite Azerbaijan's Ex-President *[ITAR-TASS]* ... 33

RUSSIA NATIONAL AFFAIRS

Political Issues

- Reaction to Parliament Moves on Law on Government ... 34
  - Shumeyko, Others Discuss Law *[Russian TV]* ... 34
  - Shumeyko Statement to Yeltsin *[ROSSIYSKIYE VESTI 13 Nov]* ... 34
  - Shumeyko Move, 'Fear' of Parliament Viewed *[ROSSIYSKAYA GAZETA 13 Nov]* ... 35
  - Law's Adoption Leads to 'Constitutional Crisis' *[ROSSIYSKIYE VESTI 13 Nov]* ... 36
- Leaders, Democratic Center Discuss Economy, Politics ... 36
  - Gaydar Addresses Meeting *[Moscow Radio]* ... 36
  - Khasbulatov, Rutskoy Urge Civil Accord *[ITAR-TASS]* ... 37
  - Civic Union's Volskiy Lists Priorities *[ITAR-TASS]* ... 38
  - Says Program To Correct Government Plan *[INTERFAX]* ... 38
- Democratic Russia Seeks Referendum on Congress Dissolution *[ITAR-TASS]* ... 38
- Opposition Says Dissolution of Legislature Planned *[ITAR-TASS]* ... 39
- 'Free Russia' Warns of 'Unconstitutional Measures' *[NEZAVISIMAYA GAZETA 12 Nov]* ... 39
- Salvation Front Sees 'Romanian Scenario' Developing *[MOSKOVSKIY KOMSOMOLETS 13 Nov]* ... 39
- Lipitskiy Says Yeltsin Not To Meet With Civic Union *[KOMMERSANT-DAILY 12 Nov]* ... 40
- Presidential Delegate on Board of Federal Bodies *[ITAR-TASS]* ... 40
- Conflicts in Chechnya, Ingushetiya, N. Ossetia ... 41
  - Chechen Head Asks Clinton To Stop 'Aggression' *[INTERFAX]* ... 41
  - Urges Citizens To Expel Troops *[ITAR-TASS]* ... 41
  - Offers Talks, Sends Moscow Draft Treaty *[ROSSIYSKIYE VESTI 13 Nov]* ... 41
  - Groznyy Claims Russian Units Reinforced *[INTERFAX]* ... 41
  - Chechens Protest Russian Troop Deployment *[Radio Rossii]* ... 41
  - 'Heavily Armed' Chechen Units Advance *[ITAR-TASS]* ... 42
  - Ingushes Accuse Russia of Betrayal *[INTERFAX]* ... 42
  - Ingushetiya Releases 'All' Russian Hostages *[Russian TV]* ... 42
  - N. Ossetian Security Council Meets *[ITAR-TASS]* ... 42

  Troops in Control in N. Ossetia, Ingushetiya *[ITAR-TASS]* 43
  Khizha on North Ossetia, Need for Consensus *[Moscow TV]* 43
  Gaydar, Grachev Cited on Conflict *[ROSSIYSKIYE VESTI 12 Nov]* 43
  Kotenkov Named Deputy Interim Head *[ITAR-TASS]* 44
  Procuracy General Investigates Conflict *[Moscow TV]* 44
Circumstances of Internal Troops Chief's Resignation Eyed *[ROSSIYSKIYE VESTI 13 Nov]* 44

Economic Issues

Shokhin Says Country 'at Critical Point' *[Radio Rossii]* 45
Cabinet Prepares Economic Recovery Program *[INTERFAX]* 45
Chubays Reaffirms Government Commitment to Principles *[ROSSIYSKAYA GAZETA 12 Nov]* . 46
  Sees Hyperinflation Unless Policy Changed *[IZVESTIYA 12 Nov]* 46
Nechayev on Factors Aiding Management of Economy *[ROSSIYSKIYE VESTI 11 Nov]* 46
  Says Government To Stimulate Investment *[INTERFAX]* 47
Official Says 'State Management' Key to Stabilization *[PRAVDA 6 Nov]* 48
Minister Urges Keeping 'Single' Industry Ministry *[ROSSIYSKIYE VESTI 11 Nov]* 51
Fiscal Policies To Be Rigid in Ruble Zone *[INTERFAX]* 52
Repayment Policy Said To Delay 'Debt Imports' *[IZVESTIYA 3 Nov]* 53
VAT Cut, Farm Subsidies Promise Lower Bread Prices *[ROSSIYSKAYA GAZETA 12 Nov]* 54
New Measures Aim To Avert Livestock Crisis *[IZVESTIYA 11 Nov]* 55

Security, Military & Nuclear Issues

Shakhray Appointed Member of Security Council *[Radio Rossii]* 56
OMON Troops Sent to Magadan Oblast Gold Mining Region *[Magadan Radio]* 56
Yeltsin Decree Calls for Revival of Caspian Merchant Fleet *[Moscow Radio]* 56
Draft Problems Seen Imperiling Army Strength *[KRASNAYA ZVEZDA 12 Nov]* 56
Program for Resettling Officers, Refugees Outlined *[KRASNAYA ZVEZDA 12 Nov]* 57
Ministry Concerned Over Disposal of Spent Nuclear Fuel *[ITAR-TASS]* 58

Supreme Soviet

New Constitution Not To Be Adopted Before Mid-1993 *[Russian TV]* 58
Khasbulatov: Grachev Says Army Loyal to Constitution *[ITAR-TASS]* 58
Khasbulatov Argues for Expanding Parliament's Role *[ROSSIYSKAYA GAZETA 7 Nov]* 58
Khasbulatov Prohibits Deputies From Leaving for Estonia *[BALTFAX]* 63
Baburin Leads Parliamentary Delegation on Visit to Iraq *[Russian TV]* 63
  Khasbulatov Comments on Baburin's Remarks *[Moscow Radio]* 63
Khasbulatov: Japan Should Not Link Ties With Territories *[ITAR-TASS]* 64
Deputies Accuse Government of 'Clumsy' Nationalities Policy *[INTERFAX]* 64
Parliament Examines Draft Law on Servicemen's Housing *[ITAR-TASS]* 64

Regional Affairs

Magadan Oblast Soviet Rejects Chairman's Resignation *[Magadan Radio]* 65
Dudayev: Chechen Army 'Going Through Hard Times' *[KRASNAYA ZVEZDA 12 Nov]* 65
Novosibirsk Soviet Reverses Demands for End to Presidency *[ROSSIYSKIYE VESTI 11 Nov]* 65
Moscow City Statistics Show 'Unstable Economic Situation' *[KURANTY 12 Nov]* 65
Sobchak Says West Need Not Fear 'Mass Migration' *[Vienna DIE PRESSE 11 Nov]* 66

UKRAINE

International Affairs

Prime Minister Asks Paris Club for Help in Settling Debt Question *[INTERFAX]* 67
  Official Hopes for Resolution of Differences *[ITAR-TASS]* 67
France Ready To Help Finance Chernobyl Clean-Up *[INTERFAX]* 67

National Affairs

Kravchuk Decree Proclaims Monetary Reform *[Kiev Radio]* 67
  President Explains Plan *[ITAR-TASS]* 68
  Premier Promises New Ruble Rate *[ITAR-TASS]* 68
  Details of Procedures for New Currency *[ITAR-TASS]* 69
Government To Demand Emergency Authority From Parliament *[INTERFAX]* 69
  Joint Efforts Essential *[ITAR-TASS]* 69
  Reforms Must Start From Scratch *[Kiev Radio]* 70
Energy Prices Increase for Commercial Consumers *[UKRINFORM]* 70
Officers Transferring to Ukrainian Army *[KRASNAYA ZVEZDA 12 Nov]* 70
Rukh Leadership Decides To Expel Radicals *[Kiev TV]* 71

WESTERN REGION

Belarus

Kebich Explains Difficulties in Ties With Russia *[INTERFAX]* 72
Parliament Suspends Privatization Until Law Passed *[ITAR-TASS]* 72
  Anticorruption Measures Insufficient *[INTERFAX]* 72

Moldova

Prime Minister Wants Guarantees on Fuel, Energy Resources *[INTERFAX]* 73
Council Delegate Confirms Commitment to Bilateral Relations *[INTERFAX]* 73
Snegur Visit to China Yields Cooperation Accords *[Moscow TV]* 73
Commission Reports Calm in Dniester Since Peacekeepers' Arrival *[INTERFAX]* 74

CENTRAL ASIA

Kazakhstan

Nazarbayev Disappointed by Failure of CIS Economic Integration *[INTERFAX]* 75
Government Urges Temporary Halt to Privatization Program *[INTERFAX]* 75

Kyrgyzstan

Akayev, Moldova's Snegur Sign Treaty on Interstate Relations *[INTERFAX]* 75

Tajikistan

Foreign Minister Declares Kozyrev Tour Fruitless *[INTERFAX]* 76
Cease-Fire Call Ignored; Parliamentary Session Impeded *[IZVESTIYA 13 Nov]* 76
Kulyab Movement Vows To Fight for 'Legitimate Powers' Until End *[INTERFAX]* 76

Turkmenistan

Parliament Chairman Receives Islamic Conference Delegation *[ITAR-TASS]* 76

CAUCASUS

Armenia

President Ter-Petrosyan Discusses 'State of Affairs' *[IZVESTIYA 13 Nov]* 78
Security Council Discusses 'Blockade,' 'Disaster Zone' *[Yerevan International]* 79
Articles Sees 'Definite Progress' in Ties with Turkey *[ROSSIYSKAYA GAZETA 12 Nov]* 79

Azerbaijan

Parliament Chairman Kamberov Holds News Conference *[Baku Radio]* 80
  Says Relations With Russia Will Not Worsen *[ITAR-TASS]* 80

Condemns U.S. Decision To Block Aid *[INTERFAX]* 80
Wants To Solve Karabakh Conflict 'Now' *[TURAN]* 80
Defense Ministry Calls Frontline Situation 'Tense' *[Baku Radio]* 81
Foreign Minister Gasymov on Official Visit to Egypt *[ITAR-TASS]* 81

Georgia

Shevardnadze Warns Clinton of 'Destructive Forces in Russia' *[INTERFAX]* 81
Says Peace in Caucasus Depends on U.S. *[Moscow Radio]* 81
Shevardnadze Visits Sukhumi, Sees 'Less Chances' for Peace *[INTERFAX]* 82
Says Military Neglecting Duties in Abkhazia *[ITAR-TASS]* 82
Meets Citizens, Inspects Social Problems *[Moscow TV]* 82
Shevardnadze Warns UN on Threat From Abkhazia Conflict *[INTERFAX]* 82
Navy Commander Denies Blockading Poti *[INTERFAX]* 83
Abkhaz Ministry: Georgian Troops Attack Sukhumi Outskirts *[INTERFAX]* 83
Defense Minister Reports Casualties in Abkhazia Clashes *[INTERFAX]* 83

BALTIC STATES

Estonia

Foreign Minister Visits Sweden; Discusses Russian Pullout *[ETA NEWS RELEASE]* 84
Signs Accord on Visa-Free Travel *[ETA NEWS RELEASE]* 84
Comments on Trip Results *[Tallinn Radio]* 84
President Meri, Azerbaijan Envoy Discuss Relations *[ETA NEWS RELEASE]* 84
Economic Crisis Expected To Bottom Out by Early 1994 *[ETA NEWS BULLETIN]* 85
Legislature Adopts Law on Working Routine *[ETA NEWS BULLETIN]* 85
Radio, TV Council Formed To Coordinate Broadcasting *[ETA NEWS BULLETIN]* 85
Entrepreneurs Ask Government To Clarify Privatization *[ETA NEWS BULLETIN]* 86

Latvia

Supreme Council Extends Government Emergency Power Over Economy *[Riga Radio]* 86
Government Adopts Resolution on Privatization *[Riga Radio]* 86
Russian Army Decides To Hand Over Two Military Sites *[Riga Radio]* 87
Note to Russian Foreign Ministry Protests Airspace Violations *[Riga Radio]* 87
Trade Unions Demand Jobs, Higher Salaries *[BALTFAX]* 87
Funds Shortfall Forcing End to Relay of Ostankino TV Programs *[BALTFAX]* 87

Lithuania

Landsbergis, Envoy to NATO Meet Press on Russian, European Ties 87
Blames 'Undefined' Russian Relations *[Vilnius Radio]* 87
Hopeful About Election Outcome *[BALTFAX]* 88
'Inflexible' Baltic Laws Hinder European Memberships *[BALTFAX]* 88
Foreign Minister Doubts Russia Will Violate Withdrawal Agreement *[BALTFAX]* 88
Democratic Labor's Brazauskas Urges Correcting Reform Course *[BALTFAX]* 88
Presidium Appoints Stankevicius as Envoy to Talks With CIS *[BALTFAX]* 88
Christian Democrats Decide Against Coalition With DLP *[ELTA NEWS BULLETIN]* 89
Government Declares Klaipeda Port State Enterprise *[AEN]* 89
Agreement With Moldova on Legal Cooperation Ready *[ELTA NEWS BULLETIN]* 89
Vagnorius Denies Private Firm Authorized To Buy Weapons *[ELTA NEWS BULLETIN]* 89
Russian Army Withdrawing Brigades, Arms, Ammunition *[ELTA NEWS BULLETIN]* 89

Ukraine Cuts Ties to Ruble Zone in Announcing Currency Reform

In a move signaling Ukraine's increasing economic independence from Russian and CIS structures, President Kravchuk decreed on 12 November that the Russian ruble will no longer be legal tender in the republic. The transition to the new currency, the grivna, will be made in two stages so as to ensure economic stability. Promising that "there full exchange of non-cash roubles" for the coupons to be used during the first stage of the monetary reform, Kravchuk dismissed the notion that "the introduction of Ukraine's currency will lead to the rupture of economic ties with partners in Russia and other states of the CIS," declaring that "such ties have long been broken," according to ITAR-TASS. He characterized the change instead as "an opportunity to restore the broken ties with CIS countries and build them on civilised relations of partnership."

Prime Minister Kuchma meanwhile promised that "'the exchange rate of the Ukrainian coupon against the Russian rouble will be fixed next Monday.'" He predicted that the new currency "will be much cheaper than the rouble, because...'we shall adhere to the market exchange rate, that is to the spontaneous rate of the coupon.'" Kuchma predicted that the government would now be able to "eliminate the differences existing in settlements between Ukraine and the other CIS countries" because "settlements through 'one bottleneck' have negatively affected the economy."

CIS Government Leaders Fail To Agree on Draft Commonwealth Charter

A one-day summit of CIS heads of government convened in Moscow on 13 November failed to reach consensus on the draft Commonwealth charter. Prior to the meeting, there had been hopes that a final version of the charter would be agreed upon and submitted to the CIS summit scheduled in Minsk on 4 December. Despite assurances, made during a break in the proceedings, by session chairman Ukrainian Prime Minister Kuchma that "'there are no major disagreements among us,'" he emerged from the talks to announce "that the CIS charter in the form submitted to the heads of government today 'will not be signed by the Ukrainian president,'" according to ITAR-TASS. Kuchma hedged slightly when asked about prospects for the Commonwealth's future in the light of this development, saying it was "'wrong to predict its end'" but that perhaps "'relations could be best cultivated at inter-state level.'" On the other hand, Yegor Gaydar, the acting Russian prime minister, told journalists "that the meeting of heads of government passed normally and 'there were no contradictions.'"

Yeltsin Letter Concludes No Americans 'Held Forcibly' in Russia

Russian General Dmitriy Volkogonov yesterday delivered a letter from President Yeltsin to the U.S. Senate Committee on POW-MIA Affairs in which the Russian president concludes "there are no living U.S. citizens being held forcibly on Russian territory," according to an article published in IZVESTIYA. Yeltsin's letter did admit to "outrageous facts" revealing that "some [Americans] were put to death without trial or investigation by the Stalin regime, as well as cases when they were forced to renounce their U.S. citizenship," according to ITAR-TASS. The letter expressed the belief that the Russian-American commission's work to discover the fate of Americans missing during and after WWII is "one more proof of the new character of relations between Russia and the United States." In his testimony to the Senate, General Volkogonov said there are few results in the search for "those who went missing" during the Korean and Vietnam wars. "All other Americans in Russia are there voluntarily." The general did regret, however, that the United States has "evidently not yet done everything possible to assist Russia in resolving the question of securing the release of POW's in Afghanistan."

Russian Deputy Defense Minister on Nuclear Missile Forces

PM1211163692 Moscow IZVESTIYA in Russian 13 Nov 92 Morning Edition p 1

[Viktor Litovkin report: "Russian Army Begins Modernization of Its Strategic Nuclear Forces"]

[Text] "We are on the brink of the adoption of very important decisions on the strategic nuclear forces," Russian First Deputy Defense Minister Andrey Kokoshin stated in an interview for IZVESTIYA during his visit to the Guards Rezhits Red Banner Missile Division of the Strategic Missile Forces, stationed in the European part of Russia, in Valday.

"The START Treaty has been ratified. Further reductions in the strategic forces lie ahead, and the entire system of the country's defense capability is being reviewed," he said. "We are trying to formulate a new strategy for the development of the Strategic Missile Forces as the basis of our security and to define projects and avenues of research and experimental and design work."

The Moscow guests, who also included Aleksandr Piskunov, deputy chairman of the Russian Federation Supreme Soviet Committee for Defense and Security, visited the missile division's new mobile command center; went down 40 meters deep into the concrete silo of a regimental command center to call on the duty crews; familiarized themselves with the system with which the formation is equipped; and met and talked with residents of the Bologoye garrison and officers of the unit.

The Defense Ministry leadership also had other reasons to visit the division. "Sotka," the MR-UR-100 missile system that the unit has had in place since 1979 (in an appendix to the START Treaty it is designated by the U.S. terminology as SS-17, and by Russian terminology as RS-16), is to be removed from the armory in the next two years.

The last few hundred of these missiles, especially those with multiple warheads, exist only in the European part of Russia. They come under the START Treaty and will be eliminated. They are to be replaced by the "Topol" (or SS-25) mobile missile system, a division of which is being withdrawn from Belarus. Orders for this system have also been placed with the Russian defense industry for 1993. But in future the strategic nuclear forces are to have a fundamentally new, standardized missile of the next generation.

The composition of the Strategic Missile Forces, our experts claim, will be drastically reduced. But structurally it is proposed that they will combine mobile and stationary systems of high nuclear safety and reliability, efficient in use and cheap to manufacture, which comply fully with the various international agreements and treaties.

In strengthening its security Russia will continue to rely on the strength and might of the Strategic Missile Forces, Andrey Kokoshin told me. Incidentally, experts say that the missile forces are the cheapest branch of the Armed Forces. They are capable of tackling 60-100 percent of strategic combat tasks, yet require only 5-6 percent of the total defense budget. And 7 percent of that goes to the personnel's pay, 9 percent to capital construction, and 4 percent to research, design, and experimental work.

In connection with the redeployment of the missile division from Belarus to Valday, Colonel General Igor Sergeyev, commander in chief of the Strategic Missile Forces, said it is planned to launch housing construction in the Vologoye garrison in 1993. Funds have already been allocated for this and surveys have been carried out. The missile regiments will be withdrawn and changed over not all at once, but gradually, two units a year, and will be provided with apartments and the necessary infrastructure.

The construction of emplacements for the Topols, the commander in chief noted, will be fairly cheap—they do not have to be dug into the ground, and the infrastructure of the MR-UR-100 is almost entirely suitable for them.

Belarus Plans for Arms Reduction, Missile Withdrawal Noted

PM1111094992 Moscow KRASNAYA ZVEZDA in Russian 7 Nov 92 p 2

[Valeriy Kovalev report: "Belarus Will Not Be an Arms Exporter, Although Even After Fulfillment of CFE Treaty It Will Be Left with 1,600 Tanks, 200 Infantry Fighting Vehicles and Armored Personnel Carriers, and 130 Aircraft"]

[Text] It is known that on 21 October the Belarusian parliament ratified the Treaty on Conventional Arms in Europe. Belarus—previously one of the countries on the European continent most saturated with troops (not of its own will, of course)—is about to reduce the arms it inherited from the former Belarusian Military District.

The republic has been allocated 40 months for this. Not so little time, you might think! But judge for yourselves how much has to be done. Here are the data that Major General Viktor Vakar, chief of the Belarusian Control and Inspections Agency under the Republic of Belarus Ministry of Defense, cited for KRASNAYA ZVEZDA: More than 1,600 tanks, 130 combat aircraft, and more than 1,200 infantry fighting vehicles and armored personnel carriers are subject to reduction. According to specialists' estimates, the cost of this "operation" will total approximately 500 million rubles.

The tank repair plant in Borisov is already practically ready to "disarm" and convert some of the tanks and infantry fighting vehicles for use in the national economy. The aircraft repair plant in Baranovichi will dismantle aircraft, and the special base at Stankovo—armored personnel carriers. The bodies of armored hardware subject to destruction will be melted down at Zhlobin Metallurgical Plant.

The elimination of combat hardware is expected to give Belarus approximately 50,000 tonnes of high-grade metal. Mindful of this fact, as well as the fact that it is planned to use some of the components, units, and mechanisms for civilian purposes, many specialists with whom I have spoken arrive at the conclusion that the republic is capable of not only covering its own expenditure on arms reduction but also making some profit.

It is interesting that during the discussion of the Treaty on Conventional Arms in Europe a number of deputies proposed replenishing the treasury more "solidly." For this, in the opinion of some parliamentarians, part of the combat hardware ought not to be destroyed but... sold abroad. The proposal, however, did not meet with support in the Supreme Soviet. Of course, it would be nice to sell it, but the treaty does not permit the sale to other countries of arms being reduced. They are liable to mandatory elimination or conversion for use for civilian purposes.

Maj. Gen. Viktor Vakar confirmed the readiness of Belarus to fulfill its commitments to the other parties to the Treaty on Conventional Arms in Europe in full and within the times strictly allocated for this. The remaining arms are another matter. The republic has the right to dispose of them at its own discretion. It will have on a legal basis 1,600 modern tanks, 200 infantry fighting vehicles and armored personnel carriers, 130 aircraft, and a considerable number of artillery systems and helicopters. But, according to forecasts by the Republic of Belarus Ministry of Defense, the republic will refrain from selling surplus weapons.

First, I was told, prestige, the respect of other states, and the desire for neutrality and peaceableness—a desire declared at the highest level—are dearer to it than money. Second, this combat hardware, even if mothballed on bases and in storehouses, will remain for a further five, six, or even more years at the level of the highest demands and will meet the needs of the republic's young army. So Belarus will hardly become a major arms exporter.

Incidentally, KRASNAYA ZVEZDA has learned that a schedule for the withdrawal of strategic nuclear missiles to Russia from the republic's territory has been drawn up and approved in accordance with a directive by Belarusian Supreme Soviet Chairman Stanislav Shushkevich. By agreement with the Russian Federation leadership it is planned to withdraw combat hardware and 81 ICBM's from Belarus over two years. Eight missile brigades will leave Belarus in 1993 and the same number in 1994. It is intended that Belarus will be nuclear-free by 30 December 1994.

Heads of Government Convene in Moscow

Leaders Discuss Charter; Ukraine, Turkmenistan Oppose

LD1311093292 Moscow ITAR-TASS in English 0828 GMT 13 Nov 92

[By ITAR-TASS correspondents Ivan Ivanov and Sergey Podyampolskiy]

[Text] Moscow November 13 TASS—Heads of government of 10 Commonwealth states joined in Moscow on Friday to pay most attention to the draft of the Commonwealth charter.

All in all there are 18 items on the agenda of the meeting attended by envoys from Armenia, Belarus, Ukraine, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Uzbekistan and Russia. Azeri representatives are absent. The situation in Tajikistan will also be discussed, CIS working group coordinator Ivan Korotchenya told TASS.

Ukrainian Prime Minister Leonid Kuchma, who chairs the meeting, expressed hope that "the work will be friendly and that we shall deal only with concrete issues".

Prime ministers are expected to complete the work on the draft charter which has been prepared by experts during the last three months and received an outline approval at the latest CIS summit in Bishkek. The charter is expected to be signed in Minsk on December 4.

However, Ukraine and Turkmenistan believe the document should not be adopted at all, TASS learned from reliable sources. They expressed the opinion at a meeting of CIS foreign ministers on Thursday.

The draft charter envisages equality among CIS states, inviolability of their frontiers, recognition of existing borders and refusal from any territorial claims, as well as "refusal from any actions aimed at splitting the territory of another state".

The document also calls to solve all disputes by peaceful means, to avoid threats to international peace and security, to observe human rights and basic freedoms.

Ukrainian Premier Reports No Major Disagreements Among Leaders

LD1311095192 Moscow ITAR-TASS in English 0838 GMT 13 Nov 92

[By ITAR-TASS correspondent]

[Text] Moscow November 13 TASS—"There are no major disagreements among us", Ukrainian Prime Minister Leonid Kuchma told TASS during a break in the meeting of CIS heads of government on Friday.

"The meeting is going in a normal and businesslike atmosphere", added Kuchma who chairs the meeting.

Heads of government succeeded to discuss 14 out of 18 items on the agenda and corresponding agreements were approved in principle and are ready for signing.

After the break the meeting will focus on draft agreements "On Mutual Recognition of Visas of CIS Member States", "On Prolonging the Validity of Provisions on the CIS Railway Council", and will discuss the CIS draft charter and provisions for an interstate CIS TV network.

Meeting Ends; Ukraine Rejects Charter

LD1311111492 Moscow ITAR-TASS in English 1048 GMT 13 Nov 92

[By ITAR-TASS correspondents Ivan Ivanov and Leonid Timofeyev]

[Text] Moscow November 13 TASS—A meeting of the CIS Heads of Government Council ended at "President-Hotel" here today. ITAR-TASS has learned that the premiers have discussed all the 18 questions included in the agenda.

Ukrainian Premier Leonid Kuchma told journalists during the meeting that the CIS charter in the form submitted to the heads of government today "will not be signed by the Ukrainian president".

The Ukrainian premier expressed the view that the "results of the draft's discussion could be taken into account and instructions could be issued to the ministers of foreign affairs and justice to finalise the charter by December 4". It was initially believed that agreement on the charter would be reached during today's meeting, but the stands of Ukraine and Turkmenistan made this quite doubtful from the very outset.

Asked about the future of the Commonwealth, Kuchma said that "it is wrong to predict its end". In his opinion, "relations could be best cultivated at inter-state level".

The head of the Ukrainian Government was asked about the national currency introduced in his country as of Thursday. Kuchma said that "the transitional period would inevitably bring down its exchange rate". The Ukrainian coupons, now circulating in the republic, were initially equivalent to one rouble per coupon. Now they are much cheaper.

Kuchma, Gaydar, Kebich Comment on Meeting

LD1311133792 Moscow ITAR-TASS in English 1248 GMT 13 Nov 92

[By ITAR-TASS correspondent]

[Text] Moscow November 13 TASS—If five states sign the CIS Charter the Commonwealth will survive, TASS learned on Friday from sources close to the CIS Coordinating Group which said a corresponding provision is envisaged by the draft charter.

The rest of the states may join CIS in various forms, however, the status of an observer or an associated member has not been yet included into the Charter, according to the sources.

CIS Working Group Coordinator Ivan Korotchenya told TASS that if some states do not sign the Charter the formula of "various speeds" of joining it will come into force. He did not elaborate.

Ukraine and Turkmenistan are the two states who object the signing of the charter.

Ukrainian Prime Minister Leonid Kuchma said on Friday at a meeting of CIS heads of government that his president would not sign the Charter in its present-day form.

He proposed that foreign and justice ministers improve the document by the signing date of December 4.

However, Kuchma told a news conference on Friday that one should not "predict the death" of the commonwealth.

Among the major items agreed upon by heads of government Kuchma listed the interstate space agreement, a document on cooperation in exchange of scientific and technical information and on the regulation of the interstate securities market.

He added that the CIS summit in Minsk on December 4 will discuss mostly economic problems.

Russian Acting Prime Minister Yegor Gaydar told the press conference that the meeting of heads of government passed normally and "there were no contradictions". He informed that CIS finance ministers would meet soon to discuss mutual debts.

Gaydar believes the Ukrainian exit from the rouble zone will not be catastrophic for the Commonwealth and the influx of roubles from Ukraine will not be too big.

However, Belarusian Prime Minister Vyacheslav Kebich complained that the influx of roubles to Belarus from Ukraine is considerable and several Ukrainian enterprises have paid roubles in advance for Belarusian products which will be turned out only by the end of the year.

Kebich said there is no single rouble space in the Commonwealth, but rather a "bilateral rouble clearing which destroys the single /rouble/ zone". He refused to disclose whether Belarus would introduce its own currency saying that it is a "secret state affair".

But Kebich denied rumours that prime ministers of Ukraine, Belarus and Kazakhstan will meet in Moscow today to discuss the Russian policy in oil production and trade.

Belarusian Premier Endorses Concept of Coordinating Body

LD1311114392 Moscow Mayak Radio Network in Russian 1407 GMT 12 Nov 92

[Excerpts] Let me present the next participant in our "Panorama" program, Belarus Prime Minister Vyacheslav Kebich. As we have already reported, the CIS heads of government meet in Moscow tomorrow. Prime Minister Kebich has already arrived. Before leaving for the meeting, he met with journalists. [passage omitted]

[Begin Kebich recording] If we had tackled the pragmatic side of the issue immediately—and this has been the position of many—then as far as possible we would not have allowed horizontal economic relations to break down, would long since have established obligations to each another, and our national economy would have been working far better than it is now. When we are afraid to set up some kind of coordinating, consultative body.... [changes thought] We are putting it off until the fourth meeting of the heads of state and government, I think—we always put it off, although we have set up an economic court—I just don't understand which is more important. Is it politics or the economy?

It is quite clear and understandable that this kind of coordinating body cannot now undermine the independence or statehood of the states in the CIS. It has no armed forces, no state security committee or anything else that could impose its will on the Republics of Belarus, Kyrgyzstan, Kazakhstan, or anyone else. For this reason, I very much support Nazarbayev's idea on this. [end recording]

Foreign Ministers Prepare Heads of State Meeting

Commonwealth Charter Dominates Discussions

LD1211162792 Moscow ITAR-TASS in English 1429 GMT 12 Nov 92

[By ITAR-TASS diplomatic correspondents Sergey Nikishov and Leonid Timofeyev]

[Text] Moscow November 12 TASS—The CIS foreign ministers have virtually completed the consideration of an agenda for Friday's meeting of the CIS heads of government today. Two items—on an inter-state programme for aid to the population of areas that suffered as a result of armed conflicts, settlers and refugees and an item on preserving and using the Caspian Sea's bioresources—were dropped from the preliminary agenda.

The issue of levying a value added tax on the territory of the CIS member-states was put on the agenda. According to CIS working group coordinator Ivan Kortcheniy, a proposal was tabled to add to the agenda also the issue concerning the situation in Tajikistan. He did not rule out that following the meeting of the CIS Council of

Heads of Government, experts will be brought together to process the tabled proposals.

At the meeting, the foreign ministers concentrated mostly on the Commonwealth's charter. Two tendencies have shaped during its discussion. One of them, which is advocated by the majority of the republics represented at the meeting, is to carry on work on the document so that it could be adopted. In this regard, a proposal was aired that a group of experts meets in Minsk to present the finished charter at a meeting of the CIS heads of state on December 4.

Advocates of another tendency—Turkmenistan and Ukraine—tend not to adopt this document altogether. According to sources close to the coordinating group, Ashgabat motives this stance by the unpreparedness of its state structures for integration of this kind. Kiev, as some participants in the meeting think, seeks to solve first and foremost property issues that arose in connection with the break-up of the USSR.

After a break, the ministers began discussing the situation in Tajikistan. According to the established tradition, the ministers will examine issues that will possibly be included in the agenda of the February meeting of the CIS heads of government.

Russian Deputy Minister Praises 'Sound Basis' for Work

LD1211164192 Moscow ITAR-TASS in English 1553 GMT 1553 GMT 12 Nov 92

[By ITAR-TASS dipomatic correspondents Sergey Nikishov and Leonid Timofeyev]

[Text] Moscow November 12 TASS - "The meeting was fruitful," said Russian First Deputy Foreign Minister Anatoliy Adamishin, commenting on the conference of foreign ministers of the Commonwealth of Independent States, which ended in Moscow on Thursday.

The ministers decided to recommend the CIS draft charter for consideration of the heads of CIS government who will meet on Friday. The deputy minister considers this decision a sound basis "for subsequent work".

There was no consensus on this issue. Adamishin pinpointed Ukraine and Turkmenistan among countries which "expressed doubts". However, there is no danger in their attitude, he added.

"We cannot measure common speed by the speed of the last one," the deputy minister stressed. "Those who are ready for closer integration, let them integrate." those who do not want to join, "have full right not to join".

In general, "we find common ground because each has the right to have his say and each knows that his say is imporant. Cooperation is maintained when it is equal and mutually advantageous," Adamishin continued.

He said that the Uzbek representative withdrew his last reservations on the visa exchange agreement which creates "a single visa space of a kind".

According to Adamishin, the ministers suggested that the heads of CIS government should discuss the situation in Tajikistan as a separate item on their agenda.

Draft of CIS Charter Incorporates Expanded Principles Section

LD1311100592 Moscow ITAR-TASS in English 1408 GMT 12 Nov 92

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow November 12 TASS—A regular meeting of the CIS heads of government council, scheduled to meet here at "President-Hotel" on Friday, will most probably complete its work on the charter of the Commonwealth of Independent States. It took experts more than three months to draw up this document, which was approved in principle by the last CIS summit in Bishkek. It is planned to sign the charter in Minsk on December 4.

As compared to the version approved in Bishkek, the present draft includes no fundamental amendments. Several formulations had to be edited, however, and some corrections, suggested at Bishkek by CIS presidents and premiers, were taken into account. Noteworthy is the fact that the article outlining the principles, on which CIS relations are to be based, now includes 14 paragraphs instead of the initial 5. They envisage, in particular, the sovereign equality of all CIS nations; inviolability of state borders, recognition of the existing borders and renunciation of territorial acquisitions and claims; renunciation of all actions aimed at splitting up foreign territories; settlement of disputes in such a way as not to endanger international peace, security and justice; guaranteed human rights and basic liberties to everybody, irrespective of race, sex, language, religion, political or other convictions.

The 18 items of the agenda, which are to be discussed by the premiers in Moscow, include several social problems.

As distinct from other meetings of CIS prime ministers, which always had to deal with large packages of draft agreements on economic cooperation in different spheres, the forthcoming negotiations will focus only on two economic problems—regulation of the inter-state securities market and prolongation of the earlier signed status of the Railway Transport Council. However, as believed by chairman of the Russian State Committee for Cooperation with CIS Countries Vladimir Mashits, "failure of many CIS enterprises to honour reciprocal payment commitments will also be in the focus of the forthcoming meeting".

Russian, Ukrainian Ministers on Prospects for Draft Charter

OW1211170592 Moscow INTERFAX in English 1645 GMT 12 Nov 92

[From "Diplomatic Panorama" prepared by correspondents Andrey Borodin, Dmitriy Voskoboynikov, and Igor Porshnev—following item transmitted via KYODO]

[Text] The foreign ministers of the Commonwealth nations on Thursday resolved at a meeting in Moscow to recommend the principles of the draft CIS Charter to the heads of government of Commonwealth nations for approval. "Diplomatic Panorama" [DP] was speaking to Russian Deputy Foreign Minister Anatoliy Adamishin, who expressed the hope that the document would be fully prepared by the Minsk summit due to take place on December 4th.

The foreign ministers have agreed the draft agenda for the meeting of heads of government of Commonwealth nations which takes place on Friday, November 13th. They also discussed the mutual recognition of visas, the founding of an international television company, the training of military personnel, and other matters.

Ukrainian Foreign Minister Anatoliy Zlenko has told a "Diplomatic Panorama" correspondent that the CIS Charter could at best only be agreed on by the heads of state of the Commonwealth nations. For the time being, however, both this and a whole series of other documents were still in preparation. Zlenko said that this opinion was shared by the majority of the foreign ministers who had arrived in Moscow today for the confefence.

The minister pointed out that Ukraine had to date not managed to receive an answer to either of its own questions—first, regarding the legal basis for the Charter; second, whether the acceptance of the charter would signify a "rejection of the Commonwealth and the transformation of the latter into an organisation modelled on an international organisation." Zlenko stressed that the view held in Kiev was that "the agreements which had previously been reached at head of state level, especially those signed in Alma-Ata, which plainly stated that the CIS was not a "super-state structure,“ were not being taken into account while the CIS Charter was being drafted. He said that Ukraine "would not reject those resolutions which had been passed earlier“ and was convinced of the need to be governed by the "initial documents.“

First Deputy Foreign Minister of Turkmenistan Boris Shikhmuradov declared categorically when interviewed by "Diplomatic Panorama" that Turkmenistan would be reluctant to be party to this Charter. He went on to say that the Turkmen position was not to be a member of any organisations which "heaped collective responsibility" on the republic. He stressed that Ashgabad intended to "bolster its sovereignty and resolve any matters which may arise on a bi-lateral level." "When we agreed to sign the declaration on the formation of the Commonwealth, we did not envisage that it would turn into the kind of Commonwealth which its Charter suggest," he added.

Meanwhile, First Deputy Russian Foreign Minister Anatoliy Adamishin told "Diplomatic Panorama" that all that now remained to be done was to "take the next step towards agreeing the Charter." He said that the imperative was to present the draft Charter to the heads of government for its first reading at tomorrow's conference. He did not rule out the possibility of all Commonwealth member states approving the draft Charter. "We are governed by a 'variable wing' principle," Adamishin said. "He who accepts (the draft Charter or the Charter itself-'DP' note) accepts it, and he who does not does not." He said that only Ukraine and Turkmenistan were unwilling to accept the Charter.

Tajik Foreign Minister Wants Russian Army To Enforce Emergency

OW1211170992 Moscow INTERFAX in English 1646 GMT 12 Nov 92

[From "Diplomatic Panorama" prepared by correspondents Andrey Borodin, Dmitriy Voskoboynikov, and Igor Porshnev—following item transmitted via KYODO]

[Text] CIS foreign ministers have suggested that their prime ministers should consider developments in Tajikistan at their conference in Moscow on Friday. Tajikistan's Foreign Minister Khudoyberdy Khaliknazarov insisted on this.

In an interview with DP [Diplomatic Panorama] he called for imposing in Tajikistan a state of emergency to be enforced by Russia's 201st division stationed locally. "This is the only way to stop the bloodshed in Tajikistan," K. Khaliknazarov said.

According to him, the recent trip to Tajikistan by Russia's Foreign Minister Andrey Kozyrev yielded no concrete results. "Other, more effective, measures are required," he said.

The CIS is "impotent and ineffective," said the Tajik foreign minister. According to him, "the people of Tajikistan no longer want any sovereignty, because their sovereignty proved to be counterproductive".

K. Khaliknazarov also said that he would like to confer with Russia's Defence Minister Pavel Grachev as early as today and secure his support for the idea of imposing a state of emergency in Tajikistan to be enforced by Russian army units stationed there.

"When seeking to resolve the conflict in Tajikistan, Russia must proceed primarily from its own national interests," a high-ranking member of Russia's Foreign Ministry told DP's correspondent. He does not think that Russia should support the plan of K. Khaliknazarov, since "it reflects the attitude of only one party involved in the conflict".

Azerbaijani, Armenian Ministers on Nagorno-Karabakh Situation

OW1211171392 Moscow INTERFAX in English 1647 GMT 12 Nov 92

[From "Diplomatic Panorama" prepared by correspondents Andrey Borodin, Dmitriy Voskoboynikov, and Igor Porshnev—following item transmitted via KYODO]

[Text] "I cannot see any positive elements in the solution of the Karabakh problem", Armenia's acting Foreign Minister Arman Kirakosyan has told Diplomatic Panorama. He has arrived in Moscow for a conference of CIS Foreign Ministers.

Kirakosyan said that "Azerbaijan continued the policy of full deportation of Armenians from Nagorno-Karabakh".

"This is an attempt to deal with the problem by military means", the Armenian acting Foreign Minister said. "The logic is this 'No Armenians—no Nagorno-Karabakh problem'. Of course, Armenia cannot leave its people in the lurch." Kirakosyan is certain that the Karabakh problem can be resolved only if Azerbaijan declares a unilateral cease-fire in the area of encircled Nagorno-Karabakh. He said it would be senseless to demand a cease-fire of the defending population of Nagorno-Karabakh. If Baku takes this step, negotiations between Nagorno-Karabakh and Azerbaijan could begin on the future status of Nagorno-Karabakh. As for Armenia, it is a "third party concerned".

Azeri Vice-Premier Khikmet Gadzhizade has told DP he is certain that if the problem of Nagorno-Karabakh were resolved on the basis of international law, Baku would certainly prove the right.

About mediatory efforts the Azeri official said: "Each mediator who tries to help us must at least keep a peace formula in mind". Gadzhizade said that usually mediators not just call for a cease-fire, but suggested a "certain ending of the conflict". In the case of Nagorno-Karabakh "all have been saying that there must be a cease-fire, but it has failed to take materialize to this date".

Officials Interviewed on Need for CIS Charter

LD1211223492 Moscow Russian Television Network in Russian 1700 GMT 12 Nov 92

[Report by correspondent D. Chukseyev on meeting of CIS foreign ministers in Moscow, including recorded remarks by I. Korotchenya, CIS working group coordinator; and Ukrainian Foreign Minister A. Zlenko; from the "Vesti" newscast]

[Text] Tomorrow, at the meeting of the Council of the CIS Heads of Government, the following main issues will be discussed, among others: The draft charter of the CIS; the mutual recognition of visas issued by the CIS states; and the interstate aid program for the population of areas affected by armed conflicts, for resettlers, and refugees.

[Chukseyev] Today, at the conference of the CIS foreign ministers held in the mansion belonging to the Russian Ministry of Foreign Affairs, the question of the Commonwealth Charter was the most important among those discussed. In the opinion of some participants, including Marshal Shaposhnikov, who took part in the conference, the CIS will not survive without a charter.

[Chukseyev] Are you of the same opinion?

[Korotchenya] No, at the moment I am not, because the basic documents adopted in Alma-Ata make it possible for the Commonwealth to exist without a charter.

[Zlenko] I think a structure is not determined by its charter—it is determined by the willingness of its members to exist within this structure. The CIS itself may disappear; isn't that a prospect for the future of the CIS?

[Chukseyev] To avoid this prospect, the ministers have made final amendments to the draft charter and will submit it for consideration by heads of government tomorrow, hoping that the latter will adopt it in the first reading.

[Korotchenya] The charter is a new stage, a new level; it is, I believe, a collection of thoughts on the life of the CIS gathered over a year, and they need to be brought into order, to be placed within the framework of a special document—and the charter is such a document.

Peacekeeping Issues

Presidential Representatives Expected in Dushanbe 13 Nov

LD1211174192 Moscow Mayak Radio Network in Russian 1600 GMT 12 Nov 92

[Text] Representatives of the presidents of Kazakhstan, Kyrgyzstan, Uzbekistan, and Russia are planning to fly to Dushanbe tomorrow to render assistance to the leadership of Tajikistan in organizing a session of the republic's parliament, which is planned for 16 November. This was stated by Kyrgyzstan President Askar Akayev in Bishkek today at his talks with the UN secretary general's ambassador at large.

Defense Issues

Conference Discusses Collective CIS Security

PM1211151592 Moscow KRASNAYA ZVEZDA in Russian 11 Nov 92 p 1, 2

[Report by Colonel Gennadiy Miranovich and Lieutenant Colonel Anatoliy Dokuchayev: "CIS: Search for Ways To

Collaborate. Notes from the Scientific-Practical Conference on Problems of Collective Security"]

[Text] A few words about the background to the question. As is well known, at the beginning of the year, Marshal of Aviation Yevgeniy Shaposhnikov put forward the idea of creating peacekeeping forces in the Commonwealth. At that time, in February, it was regarded as premature: Certain politicians, consumed with a desire to assert the sovereignty of their own republics, were more concerned about acquiring their own armed forces as quickly as possible. However, in May, the need to create a mechanism to prevent interethnic conflicts was already being raised as a question by the heads of state themselves. By that time, as we will remember, blood was being shed not only in Nagorno-Karabakh, but also in Moldova, Tajikistan...

Thus, life itself is forcing the former union republics to search for ways to consolidate and integrate, including in the military sphere, although their own defensive structures have already assumed pretty clear outlines in most of them. The scientific-practical conference on problems of ensuring collective security held at the Moscow Headquarters of the Joint Armed Forces Main Command on 5 November was devoted to searching for such ways. Its participants, which included both scientists and practitioners, summed up, as it were, what has been done this current year. The results proved to be instructive in many regards. First and foremost, judging by the speeches of the representatives of different states, the experience built up over the year has showed that there are no insuperable barriers in the way of implementing the idea of creating peacekeeping forces in the Commonwealth. This was discussed in particular by Major General Vadim Grechaninov, chief of the Ukrainian Armed Forces Main Staff Operational-Strategic Research Center; Army General Makhmut Gareyev, doctor of military science; and other speakers.

On the whole, it can be said that the conference began the consolidation of the military thinking of the sovereign states aimed at creating a collective security system in the CIS.

Regarding its practical significance, the following important detail must not, in our view, be overlooked. Its participants not only supported, but substantially reinforced by their arguments the thesis advanced in the report delivered by Marshal of Aviation Yevgeniy Shaposhnikov, commander in chief of the CIS Joint Armed Forces [JAF], that attempts are now being made to construct, on the one hand, a monopolar structure, the role of the unique pole in which would be played by the United States, while, on the other hand, there are attempts to construct a multipolar structure which envisages uniting states around several regional centers of strength. In the opinion of speakers (Lieutenant Generals Fedor Ladygin, Andrey Nikolayev and others) this process is objectively leading to a destabilization of the situation, which is already manifest in the menacing escalation of armed conflicts in various regions of the world, including on CIS territory.

Other destabilizing factors and sources of danger which make guaranteeing the military security of Commonwealth states, creating an effective mechanism for their collective defense, and ensuring a coordinated and appropriate response to changes in the military-political situation priority practical tasks were analysed. These include nationalism, which feeds parasitically upon the idea of reviving sovereignty and statehood in certain Commonwealth countries; the territorial problem, caused by the purely formal, bureaucratic, and arbitrary definition of the borders of the republics and autonomous formations; the uneven socioeconomic development of members of the Commonwealth; the variance of national-state interests; and so forth.

However, it was noted at the conference that the experience of military organizational development in the CIS shows that certain states are simply not capable of providing their own national security today. Naturally, given these conditions, particular significance is assumed by the elaboration and implementation of military-technical policy and joint programs for the production of armaments and military equipment, the material and technical provision of troops and forces, and the improvement of military infrastructure which are agreed and coordinated on a CIS scale. Russian Federation Deputy Economics Minister Ivan Materov and Lieutenant General Valeriy Dementyev (of the Russian Federation Armed Forces) devoted their speeches, in particular, to these problems. The latter proposed that a uniform armaments program be drawn up for all Commonwealth states.

Many people spoke about the fact that the current bilateral agreements in the sphere of military-technical policy are inadequate to solve the range of tasks that are arising. As a result of the gap between the treaty processes and present-day realities, said Colonel Alibek Kasymov, acting chief of the Kazakhstan Armed Forces Main Staff, combined units and units which did not fall under anyone's jurisdiction often remain without affiliation. They are not supplied with all they require, nor are they financed, which creates tension in the military collectives and makes worse an already difficult situation. While, in the opinion of Major General R. Khadybayev, deputy defense minister of Uzbekistan, one of the reasons for the nonacceptance thus far of the idea of collective security by certain states is that preferential status regarding the supply of equipment, armaments, and so forth has not been established even for the armed forces of the states which have signed the Treaty on Collective Security.

What, then, is to be the solution to the prevailing situation? There was no clear-cut response to that question heard at the conference. And nor obviously could there be. The search for the most effective ways of integration in military affairs goes on. And here, it seems to us, the military education system of Russia, which possesses colossal scientific potential, has a special role to play. Look at the kind of difficulties which they are experiencing in nearby foreign parts in elaborating their own military doctrines. There is no need for surprise here, as the independent states or, at any rate, most of them, have virtually no scientific research institutes or academies of their own. So why should the JAF High Command not initially organize the implementation of scientific research studies commissioned by the military departments of Commonwwealth states in the scientific research institutes of Russia? That way the transition to a more sophisticated and productive form of scientific research work—toward the joint implementation of comprehensive scientific and research work and programs—would be prepared. Incidentally, the proposal to carry out the joint scientific research work "Collective Security 2000" seemed to us very opportune in this respect. Given goodwill, we are sure that the scientific forces for this would be found in the CIS.

Incidentally, the conference itself, as a result of which specific proposals to implement the idea of creating a collective security system in the CIS were made, does inspire such confidence. We do not presume to judge how well founded they are from the standpoint of common sense, military science, or the national interests of each republic—that only time will tell. But we will enumerate at least those which seemed the most significant to us as of now.

First, to retain and rationally utilize to the maximum extent possible what was until recently a single entity: the complex of defense enterprises and the links between them, the system of orders for military equipment and armaments, the military infrastructure, the radar field, the information area, the system of manpower acquisition and troop training, and so forth.

Second, to build the minimum necessary armed forces capable of reliably ensuring the military security of the states and the collective defense of the Commonwealth as a whole.

An idea was proposed by Colonel General Viktor Samsonov, chief of staff of the Joint Armed Forces. In his opinion, these forces should carry out the following tasks:

—nuclear deterrence in the interests of all Commonwealth states;

—protection against external aggression;

—prevention of conflicts and the maintenance of peace inside the Commonwealth.

For this they need to have sufficient flexibility and mobility and be at appropriate combat readiness.

The first task, according to Colonel General Samsonov's idea, is to be tackled by the Strategic Nuclear Forces. The second task, that of preserving territorial integrity and independence, is to be tackled, along with the Strategic Nuclear Forces, by the Forces for the Prevention of Local Conflicts on the External Borders of the Commonwealth, the existence of which has been legalized by the Military Security Overview adopted at Bishkek. Incidentally, the idea was expressed at the conference that these forces could, according to the scale of the conflict, include troops who are ready for immediate action, that is to say, the immediate-response forces (1, Mobile Forces; 2, Rapid-Deployment Forces; 3, Reinforcement Forces). They are to consist of formations of the armed forces of the sovereign states at various degrees of combat readiness.

It is intended that the Mobile Forces will be made up of combined units and units which can be made ready for action in three to five days. One composition option could be as follows: one motorized rifle division and several motorized rifle regiments and battalions. It is thought that these forces are capable, in conjunction with the army of the state being subjected to aggression, of preventing a local conflict of low intensity and, in the event of escalation, ensuring the arrival and bringing into operation of the Rapid-Deployment Forces.

The Rapid-Deployment Forces could consist of large strategic formations, combined units, and units of the armies of Commonwealth states and should be capable of starting to carry out their combat tasks within a relatively short period (10-15 days). The proposed composition is three armies [armeyskiye komplekty], one motorized rifle division, one airborne division, one airborne brigade, and four motorized rifle regiments. It is considered that these troops, together with the Mobiles Forces and the army of the state under aggression, are capable of preventing a local conflict of medium intensity.

If need be, the Mobile Forces and the Rapid-Deployment Forces could be reinforced by troops from other regions or by personnel of the Reinforcement Forces, which are intended to be sufficiently powerful and capable of bringing themeslves up to a state of readiness to carry out their tasks within roughly 30 days. The proposed composition is one front-line army, two other armies [odin frontovoy, dva armeyskikh komplekta], seven motorized divisions, one airborne division, and two motorized rifle regiments. It is considered that these forces could localize a high-intensity conflict.

It is intended to settle crises within the Commonwealth by utilizing the collective peacekeeping forces and groups of military observers. These forces, which KRASNAYA ZVEZDA has already described, will in terms of their composition and strength be significantly inferior to the Forces for the Prevention of Local Conflicts on the External Borders of the Commonwealth.

Third, to examine the possibility of creating air defense operational commands: "South"—comprising the forces of Russia, Kazakhstan, and the Central Asian states; "Caucasus"—with the amalgamation of the men and materiel of the Russian, Armenian, Azerbaijan, and

Georgian air defense; and the unified command of the "West" ABM and air defense.

Fourth, given Russia's current difficulties with the draft, to study the question of creating mixed, multinational military formations.

Fifth. To organize short courses in various areas of the activity of the organs of military leadership under the auspices of the CIS JAF High Command.

The suggestion was made under force of circumstance. Whereas the armed forces of any given sovereign state can be (and in most cases are) based on large strategic formations, combined units, and units of the former Soviet Army, matters are even worse with the formation of organs of management. It is impossible to create a full-fledged Defense Ministry quickly even out of the headquarters of a military district. Yet after the disntegration of the Soviet Armed Forces by no means all sovereign states received such organs of management, like Belarus, Ukraine, and Uzbekistan, for example...

Sixth. To form the institution of representatives of the Commander in Chief of the CIS JAF under the auspices of Union armies.

This means an agency similar to that which operated in the Warsaw Pact. As is well known, this consisted of generals and other officers with great practical experience. They held the relevant posts in their respective defense ministries—ranging from minister or chief of the general or main staff to division commander—and helped in building and training the Union armies.

Seventh. To organize via the High Command the fulfillment of scientific and scientific-research studies in response to orders from the military departments of the CIS states and Russia's scientific research institutes.

As we have already said, these are just some of the proposals for the creation of mechanisms for practical cooperation in the sphere of collective security and joint defense. All the valuable ideas produced by the collective wisdom of the participants in the conference, as we were told by Lieutenant General V. Manilov, JAF High Command press secretary, will be generalized and presented to the heads of the Commnowealth states. Let us hope that this will help them more clearly define the priority areas of cooperation in the creation of a collective security system, the need for which is obvious to all.

Black Sea Admirals, Ukraine Envoy Interviewed

OW1111141192 Moscow Russian Television Network in Russian 0025 GMT 7 Nov 92

[Interviews with Admiral I.V. Kasatonov, commander of the Black Sea Fleet; Rear Admiral B.B. Kozhin, commander of Ukrainian Naval Forces; Rear Admiral L.M. Kuznetsov; and V.P. Krzhanovskiy, Ukrainian ambassador to the Russian Federation, by unidentified correspondents; dates and places not given; from the "Aty-Baty" program—recorded]

[Excerpts] [Passage omitted] [Correspondent] In the contemporary period the Black Sea Fleet, equipped with new ships and aircraft, became a strong and mobile formation capable of pursuing active and independent combat actions. The fleet became firmly entrenched, and it was hardly possible for anyone to imagine that the most difficult page in its history still lay ahead. [passage omitted]

Admiral Kasatonov is known in the fleet as a strong-willed man who has a clear idea of his military duty, the law, and the rights and responsibilities of a commander. This is how the situation in the Black Sea Fleet is assessed by its commander.

[Kasatonov, shown in his office] About the situation in the fleet. Since the Yalta agreements the fleet has been calm. The fleet has been given a very good opportunity to get on with its affairs and to engage in combat training—the specialized training of personnel and the professional training of officers. The Yalta agreements were very positive. They permitted a pause which is known as the transition period. Both Ukraine and Russia have a right as sovereign states to part of the Black Sea Fleet insofar as they both participated in its construction.

The main issue, of course, is people, the destiny of the people and not the mechanical division of ships, formations, and units. After all, a father or husband may be a Ukrainian, a wife a Russian, some people's parents live in the Ukraine, other's in Russia. So it is incorrect to put things in rigid national and state frameworks as if nothing else is involved. Moreover this is also linked with military organizations such as the crews of ships, formations, and units. [passage omitted]

[Correspondent] So far the fleet is undivided, but it is being run by two presidents. The fleet has a commander, Admiral Kasatonov. But there is also a commander of Ukrainian Naval Forces, Admiral Kozhin. Let us hear his point of view.

[Kozhin, shown in office, broadcast in progress] ...so that we could watch television programs (?of our choice). Particularly Ostankino. I believe that if everybody decided to make Ostankino a program for the entire CIS, (?that is the way it should be). Yet now you will tell me again that suddenly there is talk about this, that, and the other. And then we will take a look. [passage omitted]

At present I can see the way out, and it is formulated clearly in my mind. Right now we must build, create, and receive new ships from industry and maintain the combat readiness of those ships that have already seen considerable service in the Black Sea Fleet. We must create a unified fleet to solve the main task.

Of course you understand that if there are to be several masters, then we will never achieve this. Why? Because there will be no unified control. So my position on this is simple, and I have already expressed it. Apparently it is essential under present conditions to solve this problem by normal political means and, of course, in such a way that the fleet would belong to the Ukraine. In this situation we would ensure the security of the southern borders through joint efforts. [passage omitted]

[Kasatonov] Commanders' prerogatives are great, although the Ukrainian Ministry of Defense, for example, would like to have command of ships, regiments, companies, and detachments. When we carried out the evacuation of the people vacationing in Sukhumi, for example, they tried to interfere right down to the level of ships and detachments. I had to rebuff this in the corresponding manner. After all, although the plan was to evacuate 1,700 people—for which I had to plan our manpower and equipment—we had to evacuate 17,000 people. In this regard, I figured that there really would be more people, but there was pressure, of course, from the Ukrainian Ministry of Defense.

[Correspondent] Excuse me, but do conflicts of this sort, this kind of pressure, occur often?

[Kasatonov] I would say yes, often, because there is an insufficient level of understanding or competency in the sphere of naval issues. There is a desire to grab the fleet or various naval structures as fast as possible and to subordinate them. The fleet is based on the economy, and behind the fleet lie opportunities. This fleet is beyond the capabilities of Ukraine alone, and of Russia, too, I suppose. All the weapons systems are produced in Russia. Ukraine mainly builds the hulls and certain systems. This issue has been known for a long time now.

[Correspondent] Boris Borisovich, what are the combat capabilities of the Ukrainian Fleet today, of those ships that are subordinate to you?

[Kozhin] All I can tell you now is that certain shore units and only two ships are subordinate to me at present. But if we talk about the combat capabilities of the Black Sea Fleet forces, well, they are sufficiently effective and capable of solving set tasks.

[Correspondent] My last question. Yesterday and today we met with officers of the Black Sea Fleet and we ran into the following situation. For example, in Sevastopol's military schools some of the first and second class cadets did not take the oath of allegiance to Ukraine. What will be their fate? What awaits those people who today refuse to swear allegiance to the Ukraine?

[Kozhin] I can say that only five people did not take the oath. They were people who came from other CIS states besides the Russian Federation. Together, with their representatives, they will swear allegiance to their own states. The remainder, the overwhelming majority—some 600 people—swore an oath to serve loyally the people of the Ukraine.

[Correspondent, addressing V.P. Krzhanovskiy] Do you believe the division of the Black Sea Fleet could somehow aggravate relations between Ukraine and Russia?

[Krzhanovskiy] In this regard I would like to cite the example of the military schools, a vivid example of how the situation could or could not be exacerbated. There are two naval schools in Sevastopol. Now Mr. Kasatonov, commander of the Black Sea Fleet, suddenly says that these are Russian military schools, that they should be subordinate to Russia—or to the CIS, to Russia, or anybody but Ukraine. The students swore an oath. About three-quarters of them took swore an oath to Ukraine, one-quarter swore an oath to Russia. Probably some swore an oath to other CIS countries, too, I do not know the details.

The issue is being solved without tensions, without the unnecessary hype that Admiral Kasatonov always introduces. For some reason, he always tries to introduce some kind of strain and unnecessary tension.

[Correspondent, to Kasatonov] Did many people in the fleet swear an oath to Ukraine?

[Kasatonov] No, only 2 percent. Two percent, and they left. They joined Kozhin's so-called operative group. Some people remained. We have what is known as the 17th Brigade, and those who remained are serving honestly. They did not betray their word as officers, which they gave me personally, to the effect that the act of swearing an oath would not influence their service. So there are officers who are serving honestly. Now those who took the oath for ulterior reasons have naturally left—and good luck to them, let them be there.

[Correspondent, to Krzhanovskiy] Volodymyr Petrovich, could you please somewhat clarify your statement that Ukraine is now permitting the Russian side to use Black Sea ports temporarily. What does temporarily mean?

[Krzhanovskiy] Well, it was said that this issue must be solved by 1995. In other words, the division of the fleet into a Russian and a Ukrainian fleet must be carried out. By that time, Russia must see to it that its fleet has its own port of registry, a Russian port of registry. This is what I was talking about. Right now this is Ukrainian soil. So it is a little confusing to me why you do not understand this. This is Crimea, it is Ukrainian soil. [passage omitted]

[Correspondent] There is an affliction known as Caisson's Disease. When a diver is brought up too quickly from great depths, nitrogen permeates the tissue causing pain, unconsciousness, even death. Something similar to this disease has afflicted the sailors of the Black Sea Fleet due to the rapid and contradictory decisions of the governments concerning the Fleet and their attempts to divide it. Let us recall the events of the past year, try to see them as a Black Sea sailor sees them. What does he see? Some of his comrades swear an oath of loyalty to

Ukraine, others categorically refuse. The presidents either argue with one another or attempt to come to agreement. Rukh declares: We need a big fleet, or Yeltsin threatens to put the fleet under Russian jurisdiction.

The ships either take part in naval exercises or at times make bold escapes from one base to another, or they are sold off on the auction block. Every month new visitors descend on the fleet. Yeltsin and Shaposhnikov, Chernavin and Ukrainian parliamentary deputies. Can the fleet be divided? Does the fleet need to be divided? The answer to this question, which the politicians must answer, will determine many things in our lives.

[Kuznetsov] Crimea, the Crimean Peninsula, together with Sevastopol, are historically Russian lands. Ukraine has no legal rights to these lands. Take the history of Crimea, take the history of the Black Sea Fleet. The 210th anniversary of the city of Sevastopol will be marked next year. There is no sign of Ukraine there, as they say. Who discovered Sevastopolskaya Bay, if I may put it that way? Suvorov did. After visiting Sevastopol he wrote to the empress: There is no other bay of its kind, not only on this peninsula but in the entire Black Sea area, where the fleet can be afforded such protection and those serving in it could be quartered in such comfort and tranquillity. This is how astute the general was. Yet now we are suddenly talking about dividing the fleet, about Crimea being in Ukraine. I think this is simply unlawful.

[Correspondent] The Yalta agreements did show the light at the end of the tunnel. The decision on forming a combined Black Sea Fleet somewhat defused the situation, but is it a radical decision or an attempt to offset an inevitable conflict? One thing is clear—the fleet cannot be divided. A divided Black Sea Fleet will cease to be a combat formation and the powerful weapon that it is now. [passage omitted]

CIS Joint Armed Forces' Pyankov Interviewed

OW1211091092 Moscow INTERFAX in English 0721 GMT 12 Nov 92

[Interview with Colonel General Boris Pyankov, deputy commander-in-chief of the CIS Joint Armed Forces, by INTERFAX's Marina Chernukha: "Will CIS Have Peacekeeping Forces?"; from the 13 November 1992 "Problems & Opinions" feature— following item transmitted via KYODO]

[Text] Pyankov: I would like to express my own viewpoint in regard to the inception of peacekeeping formations in the CIS states. Unfortunately, it often happens that conflicts erupt in entirely new regions, and most of them are still raging. I am not inclined to make any predictions, but I am sure that we will see more conflicts in the future.

There are certain prerequisites for further conflicts, and I believe that they assume even more violent forms. I am talking about the Caucasus and especially Central Asia where we would anticipate further wide-scale developments, unless radical measures are taken to forestall them.

You will appreciate that a conflict, figuratively speaking, has its own nature and character. Conflicts become especially extensive and violent when they have been touched off by religious reasons.

The events in Tajikistan, in my opinion, certainly reveal unmistakable religious overtones, so long as it is Islamic Fundamentalism that is vying for power there. In fact, there is a struggle between the proponents of a "civic" society patterned after the Turkish model and the adherents to the concept of Islamic Fundamentalism.

Therefore, Tajikistan at present stands out as one of the most dangerous regions. The reason?—It is not sufficiently screened from without. The republic has a number of Afghan instructors; many armed detachments and convoys with weapons used to easily cross the border to Tajikistan. It was very prudent to eventually close down the border, although it would be naive to think that today's border is as impregnable as a concrete wall. Various intruders still cross the border, but at a more limited scale and not as freely as before.

INTERFAX: You don't exclude possibilities of similar conflicts in other regions, do you?

A: Unfortunately, I don't. New confrontations may erupt in the Northern Caucasus and in a number of other regions in Russia.

This is why, in my opinion, it is highly critical for Russia to maintain a kind of "fire brigades" to put out such conflicts at their "embryonic" stage. It would be ideal if a conflict could be prevented before the beginning of actual combat operations. For one thing, the situation developments can often be predicted.

When a "boil" is about to burst, peacekeeping forces need to be brought into the region to neutralize the conflict detonators. Then it would be possible to address the situation at the negotiations table, and invite an "arbitrator", such as, say, the CSCE, UN, Russia, or representatives of some other countries, so the problems could be resolved peacefully. It would be an ideal solution. In reality, however, we are always too late. I am once again coming to the idea that we need to maintain specially trained peacekeeping forces on a permanent basis. What becomes a must for these forces is the principle of voluntary induction.

Q: Why does the decision to set up peacekeeping forces remain only on paper?

A: One of the recent agreements which was signed in Tashkent declared the inception of a team of military observers of the peacekeeping forces. On the initiative of the Ukrainian representatives, however, it was decided that the peacekeeping forces, per se, their composition, structure, strength and level of training will be determined by each of the CIS states. This is why neither Ukraine nor Belarus nor Moldova nor Turkmenistan agreed to send to Tajikistan even their military observers, saying nothing about armed formations. It was Russia alone [that] allocated forces, with Uzbekistan acquiescing in it and Kazakhstan supporting the idea. The government of Kyrgyzstan was prepared to send a battalion to Tajikistan, but the republic's Supreme Soviet vetoed the decision.

This is why each sovereign state ought to maintain such forces on a permanent basis as part of its national armed forces. For instance, it could be a battalion in an ordinary regiment, and a regiment in a combined arms division. The composition of such units ought to be defined according to its mission.

Q: I understand, it should be well-paid mercenary troops?

A: It certainly should. No one will want to risk his life if he is not adequately sustained. The remuneration is indispensable. In this regard, the Russian government was the first to provide privileged conditions for the military personnel assigned to Dniester.

Q: Do you think such a decision need to be associated with a definite territory?

A: You are absolutely right. In Russia itself, that decree applied only to the personnel operating in Dniester in Moldova. And what should be the remuneration, say, for Kazakh personnel dispatched to Tajikistan. They were not entitled to any reward for their risk there. We certainly need a special decree for any region where military observers or peacekeeping units are directed. Figuratively speaking, we should define and introduce a "risk factor". The decree should be universally applicable to the operations in any region since the mechanics of its adoption is so complicated that the whole process may take many months to finalize. We already have casualties in the conflict zones, and they are not covered by the privileges.

It has become evident to everyone that the peacekeeping forces should be incepted [as received]. There is only one issue that needs to be addressed. Considering that the conflicts are international, as a rule, the Main Command of the CIS Joint Armed Forces (JAF) proposes that operationally all the peacekeeping forces be subordinated to the CinC JAF [Joint Armed Forces] Air Marshal Shaposhnikov, while territorially and administratively they will remain organic to their national armed forces. Their re-subordination will be effected at the moment when a conflict starts.

Q: Will it be necessary to coordinate such a decision with the republic's defense minister?

A: It certainly will. A principle decision to dispatch troops to the trouble area will be made by the heads of state. Only after that will the peacekeeping battalions be subordinated to the representatives appointed by the CinC JAF and they will remain so until the conflict is neutralized and they are sent back to the areas of their permanent station.

Q: What if we once again confront the situation similar to that in Kyrgyzstan when the president was in favor of sending peacekeeping troops to Tajikistan and the Supreme Soviet objected?

A: We could not overrule the decision of the republic's Supreme Soviet. I think, however, that in explaining the need for sending a Kyrgyz battalion to the trouble area the president and the government representatives should have made it clear why such a step had to be made. First and foremost, it was necessary for insuring the protection of their own borders from the same de-stabilizing forces.

Q: All this is procrastinating the process, isn't it?

A: It would be ideal to subordinate all the peacekeeping forces to the CinC JAF who would be able to take decisions regarding their use for neutralizing conflicts. Today, however, it seems to be impossible. The only person who is can make such decisions now is the president of a sovereign state. It remains his own prerogative. Thereafter, he will naturally advise the Supreme Soviet of the decision he has made and explain the reasons for making it. It is becoming critical today that such decisions could be made within seconds. I will never stop repeating that it's a lot easier to prevent a fire that to put it out when it is already raging.

Unfortunately, this proposal was not accepted, first, by Ukraine. Then it was supported by some other CIS states. When we proposed that combat readiness of national peacekeeping units be monitored by representatives of the CIS JAF and then reported to respective commands, the other parties vigorously objected to it, maintaining it was tantamount to interference in internal affairs of another state. Unfortunately, the proposal to subordinate all the peacekeeping formations to the CinC JAF was also turned down.

In our opinion, the inception of peacekeeping units for the settling various regional conflicts will only be our first step in the direction of setting up such forces. In principle, we ought to maintain a certain number of armed contingents which would be able to operate as a coalition and timely prevent and localize conflicts at the CIS borders.

Just picture a situation when Afghan armed formations are crossing the border into Uzbekistan, Turkmenia, Tajikistan or Kazakhstan. Will any of these republics have enough resources to beat off the intruders?

Q: But we have a collective security system...

A: Yes, we do. This proposal regarding the inception of coalition armed forces too is nothing other than a development of the Collective Security Agreement. We are only proposing to assign the units organic to national armies which would be able to operate as part of the coalition forces. As of now, this idea is still at the stage of examination and discussion, yet, it seems, almost none of the states is enthusiastic about it. Russia alone is sending its sons and its units to one troubled area or another, but this cannot last forever.

Q: Is it true that the Russian 201st division deployed in Tajikistan is manned predominantly (90%) by Tajik nationals?

A: Probably, 90% would be too far fetched, but there are many Tajiks in this division. The officers and men in this division have traditionally been manned by the residents of this republic. Yet, you would agree, this division alone is not capable of resolving global problems.

I think that we won't wait long for the time when the prototype of our future coalition forces will become a reality. We are still insistently proposing permanent peacekeeping forces be set up on the basis of the republics' armed forces. Six states have agreed in principle to form such units. They are Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, Russia and Ukraine. They will form them of their own and determine their composition.

We have the estimates the summary strength of the troops which could be assigned by the republics to the peacekeeping forces. [sentence as received] Ukraine, for example, is capable of allocating 2-3 regiments. I don't think we have to wait long for the peacekeeping forces to be formed. Unfortunately, there will still be many troubled areas for them to appease.

Q: In beginning to establish peacekeeping forces, did you study the experience of the UN "Blue Helmets"? I understand, however, that they don't have any problems similar to ours.

A: We are not only studying their experience, but we have had several meetings with them. A UN delegation visited us. In particular, we hosted the corps commander of the UN peacekeeping forces for two days and he shared with us his long experience in Cyprus. Unfortunately, we operate under different conditions. They can only be sent when ceasefire and end of hostilities have been guaranteed. In this country, however, everything is different. We have to go to where warfare continues.

Q: Is there any progress in your work on developing an Agreement for Inception and Interim Cooperation Procedures of Peacekeeping Forces?

A: Unfortunately, this document has too broad context, and it doesn't specify any requirements or conditions. The states do not want to confine themselves by any frameworks or commitments, while practical experience indicates that it is impossible to accomplish anything if the framework has not been defined.

In particular, we have come to grips with the issue: who will take charge of the expenses for maintaining the peacekeeping forces? Today, they amount to dozens of millions of rubles... Our earlier documents read, the expenses will be shared by all the states, while no one has ever determined either the share or the terms of payment. Therefore, not a single ruble has been invested into the peacekeeping forces so far.

In my opinion, there may be two kinds of solution to this problem: either all the expenses will be made by the states that are sending the troops or by the recipient state. In the meantime, the states that are ablaze with fire, such as Tajikistan, are not capable of making any payments, and it is understood why. At the moment when the conflict was in full swing in Dniester in Moldova, they could not pay for the peacekeepers either. At present, Karabakh cannot pay anything nor North Ossetia and Ingush Autonomy [as received].

At the same time, I also predict that the sender states will state their unpreparedness to make the expenses and propose that Russia pay for them. When we deal with tragic developments and numerous casualties, we shouldn't be sparing with the millions of rubles we have to spend. However, if we resort to the use of peacekeeping forces too often, it would be too expensive for Russia to bear the brunt of the expenses. This is why the document stipulating the employment of the peacekeeping forces should outline specific framework and time term.

Q: Are you planning to present any specific proposals to the Council of the Heads of States and Heads of Governments?

A: I believe the CIS JAF Command will have to address the heads of states with a proposal to adopt a legal basis for incepting peacekeeping forces this year. We will propose a variant when the peacekeeping forces will operate under the command of the ministry of defense of a sovereign state, but we want this unit to be in constant readiness and efficient.

Baltic Issues

Energy Officials Propose Joint Natural Gas Pipeline

WS1211130392 Tallinn ETA NEWS RELEASE in English 1736 GMT 10 Nov 92

[Text] Tallinn, 10 November 1992—Energy leaders in the three Baltic states, Estonia, Latvia and Lithuania, have presented to their governments a plan to build a joint natural gas pipeline through the three countries.

The planned pipeline would cross the Gulf of Finland to bring Norwegian gas through Sweden and Finland to Estonia and further on to Latvia, Lithuania, Poland and Germany. The line would serve as a joint Nordic-East European pipeline, Arvi Hamburg, the Estonian Deputy Minister of Energy, told ETA.

Another planned pipeline would bring natural gas from Russia's Barents Sea region.

Latvia has a huge gas receptacle with a capacity of 50 billion cubic metres, Hamburg said, adding that Estonia's need for natural gas for the next 45 years will be about the same.

Justice Ministers Sign Legal Assistance Agreement

WS1211131392 Tallinn ETA NEWS RELEASE in English 1725 GMT 11 Nov 92

[Text] Tallinn, 11 November 1992—The three Baltic countries, Estonia, Latvia, and Lithuania, concluded an inter-state agreement on legal assistance and legal relations on Wednesday [11 November]. The agreement was signed by Estonia's Minister of Justice, Kaido Kama, Lithuania's Minister of Justice, Zenonas Juknavicus, and Latvia's Minister of Justice, Viktors Skudra.

It is Estonia's first legal assistance agreement. A similar agreement with Russia is being negotiated by bilateral working teams.

The agreement covers civil and family matters and legal assistance in criminal cases. The signatories also must extradite people who have committed crimes.

The agreement was initialed in September by the leaders of the working teams. It has yet to be ratified by the countries parliaments.

Baltic States, Belarus Discuss Future of Nuclear Energy

WS1211130492 Tallinn ETA NEWS RELEASE in English 1736 GMT 10 Nov 92

[Text] Tallinn, 10 November 1992—Leaders of the three Baltic countries and Belarus, a CIS state, discussed the future of nuclear energy in the region at a meeting held in Klaipeda, Lithuania, last week, Arvi Hamburg, the Estonian Deputy Minister of Energy, told ETA.

Their plans, sent to the governments of 18 European countries, Canada and Japan, discussed the development of Baltic and Belarusian energy systems over the long term.

The Baltic region has to consider the future, when Estonia's oil shale may be depleted and, consequently, it is not profitable to maintain thermal power plants, Hamburg said. An alternative variant could be the restructuring of or end building of an additional block to the Ignalina nuclear power plant in Lithuania, according to Hamburg.

Miscellaneous Issues

Congress of Muslims Condemns Schismatic Movements

PM1311104592 Moscow IZVESTIYA in Russian 12 Nov 92 Morning Edition p 2

[Report by Aleksandr Zinovyev: "Congress of Muslims Has Condemned Schismatics"]

[Text] Ufa—The Sixth Extraordinary Emergency Kurultay (Congress) of Muslims from the Russian Federation, the European Part of the CIS, and the Baltic countries has been held in Ufa.

A total of 840 delegates representing 550 Muslim parishes attended the top forum, as well as guests of honor from Saudi Arabia, Afghanistan, Iran, Turkey, and Pakistan. A message of greeting from Russian Federation President Boris Yeltsin and Russian Federation Supreme Soviet Chairman Ruslan Khasbulatov was read out. There was a discussion of the situation regarding the Spiritual Administration of Muslims of the European Part of the CIS and Siberia, which has come about as a result of the actions of a certain section of the clergy in Bashkortostan and Tatarstan. As is well known, in August this year independent muftis who do not recognize the Spiritual Administration of Muslims of the European Part of the CIS and Siberia were instituted in these republics.

Mufti Talgat Tadzhuddin, chairman of the Spiritual Administration of Muslims of the European Part of the CIS and Siberia, and delegates from various republics, krays, and oblasts, including Bashkortostan and Tatarstan, spoke at the congress and resolutely condemned the actions of the schismatics, describing these actions as a struggle for power and an attempt to satisfy the excessive personal ambitions of a small group of people who are prepared for the sake of achieving their aims to split congregations according to the national characteristics of the believers, which is unworthy of a true Muslim and incompatible with a cleric's calling. The congress unanimously expressed itself in favor of preserving the historical unity of the Spiritual Administration of Muslims of the European Part of the CIS and Siberia, which was established over 200 years ago. The congress documents stress that Islam in Russia is an inalienable part of Russian national self-awareness and one of the main components in the state unity of our multinational and multifaith Eurasian power.

The delegates adopted an appeal to the Muslim world and to the mountain peoples of the Caucasus calling for unity, fraternity, and peace.

ITAR-TASS Reviews 13 November Press

LD1311070992 Moscow ITAR-TASS in English 0658 GMT 13 Nov 92

["Press Review"—ITAR-TASS headline]

[Text] Moscow November 13 ITAR-TASS—Russian newspapers continue to give wide coverage to the confrontation of the executive and legislative authorities, which became even more acute in anticipation of the forthcoming congress. NEZAVISIMAYA GAZETA carries a commentary on this subject. It writes that in the face of the danger that the Congress of People's Deputies poses for the executive authorities "the reunification of the president's team and the government with all the structures supporting them, in order to create a united political group, is becoming a factor capable of improving radically the resistance of the present central administration to the unprecedented pressure exerted by the federal legislative authorities." "By all appearances, the forthcoming seventh congress forced several groups in the president's closest entourage, usually vying for influence, to agree at least to a temporary truce," the newspaper stresses.

PRAVDA stresses confrontation in relations between the executive and legislative authorities, which are aggravating it. The forces turned out to be not by the different sides of the negotiating table, but by the different sides of the barricades which are being built. According to the newspaper, they often regard each other as enemies, not opponents.

Newspapers also give wide coverage to the situation in the hotbeds of tension on the territory of the former USSR. KRASNAYA ZVEZDA describes the situation in Tajikistan as a civil war unleashed by "aggressive nationalism". It stresses the peace-keeping mission of the 201st Motorised Rifle Division of the Russian Army, deployed in the republic. "By stepping between the warring parties, which actually split Tajikistan, Russian soldiers are preventing a further escalation of the conflict. They are today the only force that guarantees the integrity of the republic and the preservation of its statehood," the newspaper writes.

NEZAVISIMAYA GAZETA reports that supporters of Georgia's ousted President Zviad Gamsakhurdia and Chechen legislators are trying to become mediators in the settlement of the Abkhazian conflict. According to the newspaper, heads of armed detachments of Gamsakhurdia's supporters and several members of parliament from the Chechen Republic visited Abkhazia, where they met representatives of the Georgian authorities.

The economists S. Krasheninnikov and G. Kondrashov set forth in PRAVDA their proposals on getting the Russian economy out of the crisis. They believe "the market-oriented reform should not have been started until the rouble got the status of a solid national currency. Its stabilisation is the indispensable condition for the survival of the national economy." In their opinion, the first thing to do is to strengthen the rouble. With this in view it is necessary to implement a money reform, including the issue of a new rouble, probably with the one rouble—one dollar exchange rate.

NEZAVISIMAYA GAZETA writes with concern about corruption in the top echelons of power, to which the state security agencies have declared a war. It was announced at a press conference, held at the Russian Security Ministry, that "the Interior Ministry agencies have instituted 328 criminal proceedings, and the public prosecutor's offices—170 criminal proceedings. State security officers are investigating the cases of 3,000 staff members of state and non-state institutions." TRUD writes in this connection that "the absence of a clear legal basis for the anti-corruption struggle promotes the growth of bribe-taking. For instance, there is neither an anti-corruption law, nor a law on public servants. The situation is so serious that now it is not just measures, but a whole state programme of the anti-corruption struggle is needed."

Dr. Yuriy Kalmykov, president of the International Cherkes Association, has contributed an article to NEZAVISIMAYA GAZETA, in which he set forth his idea of the way to resolve the nationalities problem in Russia. He believes that "the problem of the preservation of Russia's statehood, interpreted in the outdated Bolshevik way, will bring the solution of the nationalities problem to a deadlock." He gives some recommendations on this problem and points out that "the main defect in the way the nationalities problem is being tackled is the absence of a well-considered long-term programme of the development of inter-ethnic relations, coordinated with republics and other national entities." In his opinion, "in its programme and its practical actions the centre should give up two things: the imperial way of thinking and the desire to apply Western patterns to our situation."

In the opinion of Kalmykov, "when working out the programme on the nationalities policy, it is necessary to define legal aspects of the solution of that problem."

Yeltsin Letter Affirms No U.S. Citizens 'Held Forcibly' in Russia

PM1211172192 Moscow IZVESTIYA in Russian 13 Nov 92 Morning Edition p 4

[Aleksandr Shalnev report: "Stalin Regime Annihilated Americans Without Investigation or Trial"]

[Text] Washington—"As a result of the work done it is possible to draw this conclusion: Today there are no living U.S. citizens being held forcibly on Russian territory"—this is a line from the letter that President Boris Yeltsin sent to the United States Senate. The letter, dated 5 November, was delivered to its destination Wednesday by General Dmitriy Volkogonov, who was speaking at hearings in the Senate Committee on POW-MIA Affairs.

Both Yeltsin's letter and the general's testimony proved so sensational for Americans that all the major changes connected with the process of George Bush's transfer of power to Bill Clinton—which only yesterday seemed much the most important topic—have today receded into the background.

The chief sensation—at any rate, this is how it was presented in television bulletins—is Boris Yeltsin's report of instances of "the annihilation of certain U.S. citizens by the Stalin regime without trial or investigation, as well as instances of compulsion to renounce U.S. citizenship."

At the same time the Senate committee did not hear what it had been counting most of all on hearing: any information on those Americans who were taken prisoner or went missing during the Vietnam and Korean wars. For America, meanwhile, the problem of discovering the fate of all the participants in the wars in Korea and Vietnam is still extremely acute. As Volkogonov, who is cochairman of the Russian-U.S. interstate commission set up to ascertain the fate of U.S. citizens, said, "there have been fewest results in the search for information about those who went missing precisely in those two wars. Some interrogation materials and fragmentary information about 71 U.S. servicemen taken prisoner in Korea have been discovered. Unfortunately it has hardly been possible to discover anything about the Vietnam war. The only documents speak of the fate of nine U.S. deserters sent by the KGB to USSR territory and then to neutral countries."

According to Volkogonov's information, there is just one U.S. citizen now being held forcibly in Russia. He is Marcus Lee, a businessman from Florida who is being investigated in Lefortovo: He was arrested this spring on a charge of attempting to smuggle out icons.

All other Americans in Russia are there voluntarily, as it were. They are either citizens who requested political asylum in the past or those who were made by means of threats to renounce U.S. citizenship during the forties and fifties. In his testimony in the Senate the general raised a question which is undoubtedly of paramount significance for us—the question of the fate of our POW's and MIA's in Afghanistan. Volkogonov reported that approximately 100 of them "are still alive, and many are languishing under inhuman conditions as prisoners of Afghan groupings which are warring among themselves." The general voiced regret that the U.S. side has "evidently not yet done everything possible to assist Russia in resolving the question of securing the release of POW's in Afghanistan."

But this regret was probably voiced timidly and restrainedly—unlike the way Washington does this decisively and, if necessary, toughly when it seeks information and assistance on questions of interest to it, notably from us. Bill Clinton, for example, speaking at a Veterans Day ceremony in Little Rock Wednesday, unequivocally declared: "I make it perfectly clear to everyone that we will have no normalization of relations with any country which is simply even under suspicion of concealing information" about the fate of Americans.

Further on Commission's Findings

LD1311101192 Moscow ITAR-TASS in English 1128 GMT 12 Nov 92

[By ITAR-TASS correspondent Igor Barsukov]

[Text] Washington November 12 TASS—"As a result of joint efforts exerted by the Russo-American Commission, set up to clarify the fate of USA citizens reported missing during the Second World War, we can now draw the conclusion that there are no living American citizens, forcibly detained today on the territory of Russia," says a statement by Russian President Boris Yeltsin, made known to members of the special Congressional Senate committee investigating cases of missing American servicemen. The statement was read out by Russian cochairman of the joint commission, presidential counsellor Dmitriy Volkogonov, who took the floor in the course of the hearings.

"Traces of American citizens in camps and jails of the former USSR have nevertheless been found," the statement stresses, "as well as outrageous facts, proving that some of them were put to death without trial or investigation by the Stalin regime. There were also cases when they were forced to renounce their U.S. citizenship. Some of them still reside on the territory of the former union." Their names and addresses have been established and forwarded to the American side. Several former U.S. citizens still live in Russia. They have voluntarily remained in the country in post-war years. In democratic Russia they are entitled to determine their future themselves. Yeltsin stressed that it is yet impossible to say that exhaustive answers have already been given to all the existing questions.

"The work of the commission," the statement says, "testifies to the new character of present-day relations between Russia and the United States. It exerted much efforts in a short period of time to study a huge amount of documents from Russia's state and departmental archives, including some that were classified but a short while ago. Scores of participants and witnesses of events, linked with the stay of american citizens on the territory of the former USSR, were questioned."

The Russian president noted that the American side was furnished with documents on U.S. citizens, who remained on the territory of the former Soviet Union as a result of the Second World War and the cold war, as well as several documents, containing information on some American servicemen captured during the Korean and Vietnam wars.

Volkogonov noted in his statement that the work of the commission was of great importance not only for the United States, but also for Russia, because efforts to establish the fate of missing Americans was an example of the care with which individual destinies should be treated. "Its work has shown," he noted, "that our two countries are now able to effectively cooperate in areas that were but recently arenas of ideological confrontation. All the previous governments of the former USSR had bluntly refused even to discuss the problem of missing individuals, claiming that it did not exist. The silence was broken as a result of the changes now occurring in Russia."

The presidential counsellor expressed gratitude to the American side for its readiness to help find Russian servicemen reported missing in Afghanistan. "However, we have every right to say," he said, "that so far the American side has apparently not done everything in its power to help solve this problem and to release our war prisoners in Afghanistan."

'Text' of Yeltsin Statement

LD1311110692 Moscow ITAR-TASS in English 1423 GMT 12 Nov 92

[By ITAR-TASS correspondent]

[Text] Moscow November 12 TASS—As earlier reported, the text of Russian President Boris Yeltsin's statement "on the work of the joint Russian-American Commission", was handed out yesterday during hearings in the U.S. Senate select committee on POW/MIA affairs. Follows its full text:

The inter-state commission's effort to clarify the fate of U.S. citizens, reported missing during and after the Second World War, is one more proof of the new character of relations between Russia and the United States. It was headed, on decision of the two presidents, by Colonel-General Dmitriy Volkogonov and Ambassador Toon.

The commission has done much during a short period of time to study a huge amount of documents from Russian state and departmental archives, including some that were classified but a short while ago—archives of the Ministry of Security, Ministry of Defence, external intelligence, Interior Ministry, Foreign Ministry and the military intelligence. Scores of participants and witnesses of those events, linked with the stay of U.S. citizens on the territory of the former USSR, were questioned.

Documents on U.S. citizens, who remained on the territory of the former USSR as a result of the Second World War and the cold war, as well as several documents containing information on some American servicemen, captured during the Korean and Vietnam wars, were handed over to the American side during plenary meetings in March, May and September of this year. Traces of American citizens were found in camps and jails of the former USSR. Outrageous facts were established, showing that some of them were put to death without trial or investigation by the Stalin regime, as well as cases when they were forced to renounce their U.S. citizenship. Several of them still reside on the territory of the former union. Their names and addresses were established and forwarded to the American side. Several former citizens of the United States, who have voluntarily remained here in post-war years, still live in Russia. Of course, in democratic Russia they are entitled to decide their future themselves. All their rights are guaranteed.

The results of the work done warrant the conclusion: Today there are no living American citizens, forced to remain on the territory of Russia. However, we cannot say yet that all the outstanding questions have been fully answered. There are still several cases, requiring additional and thorough investigation.

For my part, I, as president of Russia, express the hope that the joint Russo-American Commission will continue its efforts and will be able to find answers to the remaining questions.

[Signed] B. Yeltsin

[Dated] November 5, 1992

Ambassador Lukin on 'New Potential' of Clinton Presidency

MK1211101392 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 45-46, 15 Nov 92 (Signed to Press 10 Nov 92) p 7

[Article by Vladimir Lukin, Russian ambassador to the United States: "U.S. Election and Our Choice"]

[Text] It is important not to go to extremes in assessing the results of the presidential election and their consequences for us—thinking that a new era has begun or, on the contrary, that nothing has actually changed. One ruling party—and with it, accordingly, a group of roughly 4,500-5,000 people—has been or, more precisely, is being replaced as normal—according to the rules and traditions of U.S. democracy. The fact that the peaceful, constitutional normality of this transition and the rapid compromise between recent acute enemies seems unusual to us and elicits profound respect mingled with envy is another matter. But this is a temporary feeling and we hope that this will also become normal in our country.

As far as many basic ideas are concerned, the two U.S. parties do not differ greatly from one another, thus ensuring a great amount of continuity in U.S. domestic and, particularly, foreign policy. There are no fundamental differences between Republicans and Democrats in their approach to relations with Russia—the general policy of assisting its democratic evolution has become part of the bipartisan consensus.

However, a new administration is coming to power, an administration different not only in terms of the personalities involved, but also one that represents a different political tradition, style, and logic of doing things from that of the Republicans. Moreover, this administration is led by a new generation with their own life experience and vision of the world. Whereas the Bush administration had one foot rooted in the past and the other in the present, the Clinton administration is starting with the present and is geared to the future. It is more modern and will be more in touch and address the new realities less cautiously. That is why changes—and extremely substantial ones at that—are inevitable in U.S. policy. I do not want to guess what changes precisely. I think it more productive now to draw a picture of their overall orientation—the main elements in the Democrats' genetic makeup and the special features of the new leaders' age-group. A few trends of this kind can be traced.

First, some relaxation of the geopolitical, balance-of-force principle in foreign policy with an increase in the moral and ideological components, a kind of "democratization" of foreign policy in the sense that it will reflect to a greater extent America's ideological credo with its central tenets of democracy and human rights. But this will hardly herald a repetition of the well-known Carter policy—both because of the changing world situation and the new Democrats' greater pragmatism and because of the experience (negative included) gleaned from that policy.

Second, the reviving of the impetus for reform and Democrats' inherent endeavor to make socioeconomic processes more governable by stepping up the state's role.

Third, a more rapid departure from the relics of "cold war" political and institutional inertia, plus a more wide-ranging purposeful move away from one-sided military superpower policy to a serious attempt to restore the U.S. world lead in technology, trade, and the economy.

What does all that mean for us? The fact that the Clinton administration does not have to get attuned to democratic Russia instead of the USSR, the fact that it is starting straightaway with the new Russian-U.S. relations developed by its predecessors and feels free from the legacy of the "cold war," objectively opens up new potential for our partnership.

I also think that the Democrats' social philosophy, their greater orientation toward a "mixed economy" and a vigorous social role for the state, and their traditionally critical view of unequivocally banking forms of economic regulation will enhance their understanding of probable changes in our economic reforms involving greater state participation. That may ease the situation as far as economic aid is concerned, from the IMF among others.

At the same time the amount of attention that the United States pays to the state of and evolutionary path taken by our democracy will most likely increase considerably. Any attempts to question the move toward democracy will be noticed and will elicit a sharp response. Regardless, moreover, of the quarter from which democracy comes under fire—from left or right—and the arguments accompanying this attack. There must be no illusions here—we will be called to account for curtailing democracy to a far greater and tougher extent than in the case of the Republicans.

In short, opportunities for both the expansion of U.S.-Russian cooperation in the democratic context and the undermining of this cooperation in the event of our giving up on democracy have increased with the Democrats' coming to power. Fortunately, fundamental Russian and U.S. interests coincide on this since we ourselves need our democracy far more than the Americans do. Hence my final conclusion: For all the significance of the domestic changes in the United States, the future of U.S.-Russian relations is not so much in Clinton's hands as in our own.

Clinton Shows 'No Hurry' To Make Cabinet Appointments

PM1111101392 Moscow IZVESTIYA in Russian 11 Nov 92 Morning Edition p 5

[Aleksandr Shalnev report: "Bill Clinton in No Hurry with Appointments to Key Administration Posts"]

[Text] Washington—Bill Clinton, who will become U.S. president 20 January, has confirmed that he takes a very serious attitude to his main election promise with which, strictly speaking, he lured the U.S. voters—the promise to concentrate the main forces and attention on America's economic problems.

It has been learned that within the next few weeks Clinton will hold something like an economic summit meeting in Little Rock, capital of the state of Arkansas, of which Clinton is still formally the governor. He intends to invite leading economist-theoreticians, prominent businessmen, and politicians who tackle questions of the economy. At this meeting the next President, following his long tradition of seeking a consensus on almost any problem, will try to define more accurately the scale and nature of the difficulties which America is experiencing and to outline specifically the best possible ways to eliminate them.

At the same time it has been announced that an Economic Security Council will be set up under Clinton in addition to the National Security Council, which has been in existence under the White House for almost half a century and deals with coordinating the foreign policy and military activity of government agencies and departments. It will coordinate the administration's actions in the sphere of the economy, including the sphere of foreign economic and trade ties.

Finally, the 42d President will break another tradition: His first appointment to a cabinet post will not be that of the secretary of state, as has been customary, but of the secretary of the treasury. The leaders of the so-called "transitional council" are now engaged in selecting candidates for this post. They are Warren Christopher, who held the post of deputy secretary of state in Jimmy Carter's administration, and Vernon Jordan, a Washington attorney and African American activist.

Contrary to expectations, neither Clinton nor those who under him have become "talent scouts" are in any particular hurry to decide on appointments, not even the most important ones. (In all, over the next two or three months Clinton will have to make something of the order of 3,000 appointments to posts of very different ranks in various administrative departments, to posts which will fall vacant on the departure of Bush's "appointees"). Whereas George Bush named his secretary of state the day after the 1988 election, the holder of the first ministerial portfolio in Clinton's cabinet, as W. Christopher has reported, is unlikely to be decided before 1 December. According to Clinton himself, he is in no hurry with personnel decisions, because he wants "the decisions to be accurate."

A curious feature of the way candidates are selected is apparent from statements by leaders of the "transitional council": Emphasis is placed not only on professional qualities but also on the ability to work with each other. This is why, in examining the candidacy of the secretary of the treasury, let us say, the "transitional council" strives to be certain that this candidate will get on well with those who are nominated as his deputies or to the posts of directors of the department's key sections. This is also the system of selection for the other main departments—foreign policy, military, social, and so on.

From other news connected with the election: Delivering another radio appeal to America a few days ago, Bush reported that on handing over power to Clinton he will go to Texas, where the current President is registered to vote. "For Barbara and me there will no longer be either elections or politics. We will address our efforts to helping other people, since such help is the secret of the unique American spirit."

The press assumes that Bush will not follow in the steps of previous presidents: He will hardly become a "diplomat without portfolio," like Carter; clearly he will not try to earn as much money as possible out of the former presidency, as is the case with Ronald Reagan, who raked in $2 million in Japan for a couple of lectures, and Gerald Ford, who makes between $10,000 and $15,000 out of every public address and sits on the boards of directors of many corporations, which pay him well enough for practically nothing. But what Bush, from the viewpoint of his close friends, will certainly do is write his memoirs. They will certainly be a best-seller.

An interesting detail: Literally on the day that Bush, through his aides, shared his plans for postpresidential life, it was learned that Westminster College in Fulton, where in May Mikhail Gorbachev delivered his speech "a la Winston Churchill," intends to put on sale 50 black-and-white photographs autographed by the former Soviet president. The photos, taken at the time of Gorbachev's stay in Fulton, Missouri, will sell for $1,000 each. Part of the proceeds will go to the college, and part to the Gorbachev Foundation.

I must confess I find it hard to imagine that George Bush would ever engage in such business, although, on the other hand, it is perfectly in the spirit of Ronald Reagan.

Article Notes Clinton Intends To Keep Election Promises

PM1111161192 Moscow PRAVDA in Russian 11 Nov 92 p 3

[Correspondent Vladislav Drobkov report: "Washington: Changing the Guard"]

[Text] Washington, 10 Nov—**In the White House...**

Like a marathon runner after a hard race, America is slowly "recovering" from the months-long presidential contest. The choice has been made. Bill Clinton, the newly elected head of state, is now preparing to move to Washington to take up residence at 1600, Pennsylvania Avenue.

For another two and a half months, however, President George Bush, who failed to win re-election, will remain in the White House and continue to govern the United States. He is a "lame duck" president, as the locals say. "The President was the victim of his time, his temperament, and his administrative team," Broder, one of the most authoritative political observers here, writes.

Let us pay due tribute to the Americans—few people are publicly expressing malicious glee at the Republicans' defeat or disrespect for their failed candidate.

The President himself has taken it all with dignity and is preparing to make way for his successful rival. In Washington, furthermore, this is no big deal—only one out of seven U.S. presidents since Eisenhower has had two full terms in the White House.

Last Thursday George Bush held a regular meeting of his cabinet where he announced the adoption of two important decisions, as if to clearly demonstrate that for the moment he remains an active and effective head of state.

Bill Clinton has also embarked on specific presidential business. On Friday he made his first appointments to his "transitional team." Chairman of the team is Vernon Jordan, a 56-year old black Washington lawyer and former president of the National Urban League. Warren Christopher, 67, former deputy secretary of state in President Carter's administration, has been appointed director of the transitional team: His brief includes planning and implementing the changeover from the Republican administration to the Democrats.

Clinton has already spoken by telephone with many heads of state. His talk with Moscow, as he said, did not deal with specific problems. The 42d U.S. President accepted congratulations on his victory and in turn assured B. Yeltsin of his support for "democracy and a free market economy in Russia."

At the same time, Clinton is clearly hinting that his administration's priority will be to instill order in the U.S. economy, pave the way for its revival, and create new jobs. In short, this means keeping his election promises.

...And on Capitol Hill

On Capitol Hill the Democrats did not manage to increase their representation in either the Senate or the House.

According to the figures that have been published, 57 Democrats were elected to the Senate with 42 from the Republican Party. One Senate election result has yet to be confirmed. In the House the Democrats lost 11 seats while the Republicans gained seven. There are now 255 Democrats there to 173 Republicans and one independent. Six electoral districts have yet to announce final results.

As we can see, therefore, the majority, and a sizeable one at that, remains with the Democratic Party, which has controlled both chambers of Congress for almost 30 years now. But the Democrats, heartened by the obvious success of their presidential contender, expected more in the parliamentary elections, too. Sadly, those expectations were not fulfilled.

On the other hand, the predictions of the Democratic Party's success in the elections of governors, which were also held 3 November, came true. The Democrats won eight of the 12 states where the head of the local administration was up for election on Tuesday.

The most noticeable change resulting from these elections is in the advancement of women to the forefront of political life in the United States. The number of female senators has tripled—from two to six. Forty-seven women have been elected to the House—19 more than before.

Therefore, it will be a renewed Congress whose 103d session opens in a few weeks' time. There will be 11 new senators, 110 new representatives. The rest are familiar faces.

Adviser Tells Jimmy Carter Reforms Continue

OW1011200592 Moscow INTERFAX in English 1928 GMT 10 Nov 92

[Following item transmitted via KYODO]

[Text] Reforms in Russia will continue no matter what, although amendments and personnel changes to the government are possible, presidential political adviser Sergey Stankevich told the former U.S. President Jimmy Carter in Moscow on Tuesday. He said that future changes would "by no means spell the end of the strategic goals of reforms".

Mr. Carter is in Russia for a session of an international commission for the use of television and mass media.

Asked what one should expect of the forthcoming congress of people's deputies Stankevich said that there are going to be no "disasters, cataclysms, taking to tasks or sensations". The Presidential adviser hopes that "accord will be achieved, the balance of interests observed and reforms advanced".

The question was brought up of the human rights situation in the former Soviet republics, including Latvia and Estonia, where discriminatory restrictions against Russians were included in legislation.

PRAVDA Sees 'Complex Times' Ahead for U.S.-Russian Ties

PM1211100392 Moscow PRAVDA in Russian 12 Nov 92 p 6

["View From Editorial Office" by Yuriy Glukhov: "Hostages of 'Democracy'"]

[Text] How will relations take shape between Russia and the United States after the changing of the presidential guard in Washington?—this is a question of interest to many people today. For the Russian president will have to set up trustful contacts with the new master of the White House almost from scratch. Will the political capital already accumulated work?

The French newspaper LE MONDE recalls what this is like. I will cite verbatim: "Since his first scandalous visit to Washington Boris Yeltsin, who has meanwhile become president, has been able to gain if not the full trust, then at least the respect of the Republican administration, which reluctantly said goodbye to Gorbachev, albeit somewhat sooner than certain other Western countries. At the time of the putsch, after short-lived hesitation, Bush responded quickly and vigorously to Yeltsin's call for assistance. That episode considerably strengthened relations between Bush and Yeltsin, who have frequently telephoned each other since then. In order to consolidate the success, Yeltsin, once ensconced in the Kremlin, made considerable concessions in the disarmament sphere, at the same time consenting to the Americans' lording it in the UN Security Council."

So, what now?

I do not wish to be Cassandra, but it seems that complex times await us. It will be far harder for the Russian democrats to find a common language with B. Clinton's Democratic Party, which won the U.S. election, than with the Republicans of G. Bush, who lost. This is why.

U.S. Democrats are particularly sensitive to the idea of defending liberties and human rights. Sometimes contrary to logic and common sense, since demonstrative principledness produces unexpected and, at times, the opposite results. At the time of J. Carter's presidency the U.S. position played a fateful role in the destiny of the shah of Iran. Deprived of U.S. support, he was overthrown under the pressure of the Islamic revolution. Having lost their ally and their positions, the Americans continue to criticize Iran for those very same violations, only with greater frenzy heated by the fire of disappointed hopes.

Mindful of the specific nature of the Democratic Party's position, it is worth taking a close look at just what complaints are leveled at the policy of the present Washington administration, particularly in respect of the former Union. For, one way or another, they will be taken into account in shaping the course of the new U.S. president.

"I believe that he (Bush) was more concerned about preserving the status quo and his personal relationship with foreign leaders than acting as a real force promoting democracy," B. Clinton believes. "Bush was tardy with regard to recognizing the disintegration of the central organs of power in the Soviet Union, tardy with regard to the independence of the Baltic region, and tardy with regard to recognizing the independence movement in Ukraine. He essentially condemned this."

So, to all appearances, Clinton himself will not stand on ceremony and be soft on foreign leaders who violate the "democratic convention." At the same time he intends to act proceeding from the "obligations" imposed on the United States as "the world's only superpower." This is quite a serious warning signal.

Let us bear in mind that "democratic amplitudes" do not now coincide in the United States and Russia. With the accession to power of a Democratic president on the other side of the ocean, its curve is rising. In our country it is falling. G. Popov, the ideologue of "democratatorship" ["demokratura"], proposes introducing one-man presidential rule in Russia until the end of B. Yeltsin's time in this post. Threats to break up parliament and the Congress of People's Deputies are looming. Clashes with Washington are inevitable now because of various bans and the suppression of organs of representative power—the very basis of any democracy.

Strictly speaking, critical salvos have already issued from the pages of the U.S. press in connection with the intention to nip the National Salvation Front in the bud. In an article entitled "Edicts Will Be Unable To Save Democracy" THE SAN FRANCISCO CHRONICLE writes: "Like any other political leader in the grip of panic, the Russian president is striking out right and left, thereby still further undermining his ability to hold onto power. He almost entirely confirms the accusations by his oldest critics in parliament that his adherence to democracy is of a superficial nature."

Still greater friction might arise in connection with the fact that Clinton is not inclined to preserve the status quo and to promote the integration processes in the former Soviet Union. This means that any attempts to prevent the collapse which has Russia in its grip too can be described as a violation of human rights. Measures such as the introduction of a state of emergency in one region or another will simply arouse U.S. displeasure.

Clinton's stand on the Baltic region also appears tough. Although the Bush administration too makes its demand for the withdrawal of Russian troops from there virtually in the form of an ultimatum. Our explanations that there is nowhere to withdraw the troops to, that housing has not been prepared for people, and that the army might rebel are dismissed. Threats of economic sanctions are issued in response to the Russian president's edict to suspend the relocation of the Baltic grouping. R. Boucher, official spokesman for the U.S. foreign policy department, declares: "In the 'Freedom Support Law' there is an article which requires us, first of all, to report to Congress on how the troop withdrawal will proceed."

It remains for us to be astounded that U.S. economic aid (not very considerable on our scale, and not free of charge) could be packaged in the degrading "Freedom Support Law" without meeting with even a formal protest from the Russian Foreign Ministry. Throughout the world such a practice is regarded as gross interference in the internal affairs of a sovereign state, but the Russian leadership silently consented to the United States' assuming the role of our guardian and mentor.

I cannot imagine anything similar happening in the United States. I believe that not one administration would survive in Washington. U.S. Democrats, and Americans in general, are not short on patriotism. But this is not the only way that they differ from the strange Russian hybrids who call themselves democrats.

Judge for yourselves.

Yeltsin and Gaydar are concerned about macroeconomics. Clinton and Gore (vice president) declare: "People above all."

The former are concerned about the future of well-off people. The latter maintain: "For a decade our government has acted knavishly in the interests of the rich. At the same time as the richest Americans are becoming richer, middle-class Americans are paying more and more taxes to their government and receiving less and less in return. Our government has betrayed the values which make us great: equal opportunities, a sense of responsibility, and recompense for hard work."

It is natural that Clinton and his team will act in respect of Russia from the positions already attained, from positions of diktat, subordinating foreign policy to the resolution of internal problems and deriving benefit for the United States. It will be dangerous if Washington and the West act proceeding from false premises, misled by the democratic phrase-mongering of the Russian leadership.

Life dictates the need to revise the reforms which are being implemented, and this revision can be perceived as a deviation from the reformist course itself. Life poses the question of defending Russia's national interests, and this can be interpreted as a revival of imperial ambitions. And so forth.

By painting a false picture of the country's internal political development as a show in a "shadow theater," the Russian leadership risks provoking from the West a disproportionate response to particular events and ending up a hostage of its own game, the game of "democracy."

IZVESTIYA Sums Up Strauss' Work as Ambassador to Moscow

PM1011091592 Moscow IZVESTIYA in Russian 7 Nov 92 Morning Edition p 4

[Vladimir Nadein report: "Ambassador Strauss is Leaving. Clinton Will Name His Successor"]

[Text] "Neither the United States nor the whole of the West has enough money to buy democracy for Russia," Robert Strauss, the well-known U.S. businessman and politician, has said. "Democracy will have to come to Russia from within, economic revival will come from within."

This speech at a meeting of the recently created Moscow section of the Carnegie Foundation was Strauss' last as U.S. ambassador extraordinary and plenipotentiary to Russia. He went to that meeting straight from a farewell meeting with President Yeltsin. "We did not shed farewell tears but it was very moving," Ambassador Strauss said.

His first public utterance in Russia was on that memorable day in August 1991, when Moscow buried the three heroes who died resisting the putsch. "In the past 18 months, Russia has achieved some incredible changes and is transforming itself," the ambassador said.

An active member of the U.S. Democratic Party, appointed by the Republican Bush as ambassador to the USSR thanks to his importance and influence in the business world, Strauss remained ambassador to Russia after the disintegration of the Union.

Unlike a number of his predecessors, Strauss did not know Russian. He compensated for that and for his lack of diplomatic experience by setting up U.S. business ties with Russia and organizing humanitarian and technical aid. He used his vacations to give speeches in Congress and to government and social organizations and cogently argued the West's dependence on the democratic transformations in Russia.

When he returns home Strauss intends to "assume the commitment of a representative of the Russian people" by trying to persuade the U.S. public of the need for greater U.S. involvement in the Russian economy.

Strauss said that Clinton's election indicates the advent to power of young people with a new philosophy. He has called Boris Yeltsin a "bridge between the Bush generation and the Clinton generation" and expressed the absolute conviction that the Russian leader will manage to overcome the temporary difficulties and play his role as transformer of this vast country: "He has many problems, he is being criticized by the opposition and by many ordinary people. However, he will parry all the threats to his leadership."

Strauss' successor has not been appointed yet. It is believed that he will be named by Clinton and will arrive in Moscow no earlier than 20 January, the new President's inauguration day.

Foreign Minister Kozyrev Arrives in France For Talks

LD1211152892 Moscow ITAR-TASS in English 1432 GMT 12 Nov 92

[By ITAR-TASS special correspondents Sergey Batyrev and Georgiy Shmelev]

[Text] Paris November 12 TASS—Immediately after his arrival at Orly Airport, Russian Foreign Minister Andrey Kozyrev proceeded to the French Foreign Ministry for talks with his French counterpart Roland Dumas.

The Russian side attaches great importance to this visit and to the forthcoming talks. It can be said without exaggeration that relations with France are among the priority directions of our foreign policy, the Russian minister's adviser for political affairs Galina Sidorova told journalists before the talks.

"The foundations for relations between France and the new democratic Russia were laid by the agreement signed by President Yeltsin during his February visit to France. We believe these relations are to some extent a guarantee of stability on the continent, and the purpose of the current visit is to continue the Russo-French political and economic dialogue."

Sidorova said the ministers planned to sign four new agreements—on cooperation to ensure the safe destruction of nuclear weapons in Russia and the use of the thereby obtained nuclear materials for peaceful purposes; on the opening of cultural centres and terms for their activity; on the search for archive materials and their return; and on cooperation in the domain of state archives.

"Kozyrev and Dumas," Sidorova stated, "will exchange views on a wide range of international and regional problems. Special attention is expected to be focused on the settlement of the Yugoslavian conflict. The Russian minister intends to inform his French colleague on some Russian proposals relating, in particular, to the relaxation, out of humanitarian considerations, of the sanctions imposed by the international community on Yugoslavia. They will also discuss terms for the admission of the united republic of Yugoslavia to the United Nations as a fully-fledged member.

"Of course, the ministers will also discuss the entire range of bilateral relations," Sidorova said. "Moreover, they plan to analyse in detail the economic aspects of our cooperation. For instance, they will discuss problems of avoiding double taxation, promoting investment, etc.," she added.

Kozyrev, France's Dumas Sign Agreements

LD1211225392 Moscow ITAR-TASS in English 1700 GMT 12 Nov 92

[By ITAR-TASS special correspondents Sergey Batyrev and Georgiy Shmelyov]

[Text] Paris November 12 TASS—Russian Foreign Minister Andrey Kozyrev and his French counterpart, Roland Dumas, signed eight new Russian-French agreements on Thursday in the French capital. Among the documents signed are a framework agreement on cooperation in the sphere of safe destruction of stockpiles of nuclear weapons in Russia and the use of the released nuclear materials for peaceful purposes, as well as other agreements on the establishment of cultural centers and terms of their activities, on the search for archives documents and their giving back, and on cooperation in making use of state archives.

The Russian foreign minister came to France on a three-day official visit on Thursday.

Kozyrev Reviews Talks With Mitterrand

LD1311074392 Moscow ITAR-TASS in English 0734 GMT 13 Nov 92

[By ITAR-TASS correspondents Sergey Batyrev and Georgiy Shmelev]

[Text] Paris November 13 TASS—French President Francois Mitterrand has received Russian Foreign Minister Andrey Kozyrev, now on an official visit here.

Commenting on the results of the conversation at the request of ITAR-TASS, Kozyrev pointed out that the Russian and French presidents are maintaining continuous and regular contacts. "I am very much pleased with the interest and understanding of our problems, shown by the French leader," he said.

According to Kozyrev, the second important topic of their conversation is the firm intention, expressed by its participants, to develop close bilateral cooperation and, in perspective, to form an alliance as a basis of the balance in Europe. Our relations should become the basis of stability on the continent, and France shares our understanding of it, Kozyrev pointed out.

Responding to questions of journalists, Kozyrev stressed that the French leadership regards the Russian reform government as a reliable and stable partner. "I met President Mitterrand here in August last year, and the French leader told me he hoped the reform-minded forces would come to power in Russia. Now they hope the government will make the transformations irreversible," he said.

Touching upon the domestic situation, Kozyrev said: "We proceed from the assumption that the worst is over, but at least six more months are needed to make the reform irreversible, primarily through privatization."

Kozyrev Views Treaty, Domestic Situation

LD1311094392 Moscow ITAR-TASS in English 0845 GMT 13 Nov 92

[By ITAR-TASS special correspondents Sergey Batyrev and Georgiy Shmelev]

[Text] Paris November 13 TASS—"The Russian Supreme Soviet's ratification of the Russo-French treaty, signed by President Boris Yeltsin and President Francois Mitterrand in Paris last February, shows that the Russian society gives all-out support to the idea of continuing and developing the traditional Russo-French 'entente cordiale' at the new stage of relations between the two countries", Russian Foreign Minister Andrey Kozyrev told the Commission for Foreign Affairs of the French National Assembly here on Thursday.

"This proves the ability of the two main branches of the Russian Government—legislative and executive—to act concertedly for the sake of national interests," he added.

The minister believes the Russo-French treaty is now being filled with concrete substance, which is evidenced by the eight new agreements he and his colleague Roland Dumas signed here on Thursday. They envisage the development of bilateral cooperation in the most diverse spheres. Kozyrev expressed the hope that the treaty would be ratified by the French side shortly.

"France," the Russian foreign minister said, "can rely on the dependable, stable and lasting partnership of the Russian president and the government of reforms, backed by democratic forces within the parliament and the society."

According to Kozyrev, Russo-French concord is regarded in Russia as a cornerstone for reforming post-communist Europe with its old and new conflicts into a genuinely democratic community of states.

"At the same time," Kozyrev stressed, "the Russian democratic leadership is by no means inclined to underestimate the threats to advocates and makers of reforms in Russia, coming from the revenge-seeking forces. The fact that they are changing their coloration from red-communist to national-brown hues, does not alter their aggressive and reactionary nature, nor basic composition." In his opinion, they are remnants of the party and state elite, which does not want to put up with the loss of its positions.

Kozyrev said he was convinced that the democratic forces would get the upper hand in Russia. He noted, in particular, the Russian people's urge for freedom, the strengthening of democratic institutions in the country, and the progress of democratic reforms, which are drawing ever increasing numbers of people into their orbit through privatisation and commercialisation, thereby eroding the social base of the reactionary forces.

The Russian minister noted France's solidarity with the Russian democrats in all the areas of their struggle to tumble the communist system. "Today, we have achieved this victory through joint efforts, and have won the cold war on the international arena," he stressed. "The task now is to work out an equally bold, concerted and long-term strategy to overcome the post-communist period. We must win democratic peace and achieve East Europe's full-fledged integration into the community of democratic states with a market economy.

In light of this, Kozyrev also pointed to the role of democratic Russia and to its responsibility, as a normal great power, for the solution not only of its own numerous problems. He believes Russia is also called upon to discharge its role as a locomotive tugging the other independent states that have emerged on the territory of the former Soviet Union in the said direction.

"Russia's priority task," Kozyrev noted, "is to ensure human rights on the entire territory of the former union." He noted that Russia would strive to bring the policies of all the independent states in line with international human rights standards, i.e. in line with concrete U.N. and CSCE commitments.

The Russian foreign minister also pointed to Russia and France's close cooperation in the effort to settle the Yugoslavian conflict. He highly assessed France's contribution to the search for peaceful solutions to conflicts in the former USSR, including the world community's increasingly active support to Russia's peace-making efforts through the United Nations and the CSCE.

Yeltsin Seeks UN Consideration of Baltic Human Rights

LD1211095392 Moscow ITAR-TASS World Service in Russian 0135 GMT 12 Nov 92

[By ITAR-TASS correspondent Boris Sitnikov]

[Text] U.N. 12 Nov—A letter from Russian President Yeltsin addressed to the UN secretary general proposing that the issue of mass violations of human rights and freedoms in the Baltic states be included on the agenda of the 47th session of the UN General Assembly [UNGA] was published on Wednesday as an UNGA document.

In this letter, the Russian president informs the U.N. secretary general about relations between the Russian Federation and the Baltic states. Yeltsin confirmed the Russian leadership's intention to withdraw troops from the territory of the Baltic countries in realistically feasible timescales after signing the appropriate interstate agreements with them.

At the same time, the U.N. secretary general's attention was drawn to the fact that "the further development of relations between Russia and the Baltic states will to a large extent depend on the position of the Russian-speaking population in them."

"Even today", the letter states, "the discriminatory policy of the Latvian and Estonian authorities with regard to this group of the population, already reinforced in a number of incidents and in the legislation of these countries, runs counter to the fundamental principles of the United Nations.... We feel that this situation should be a matter for consideration by the United Nations. It must not be permitted that conditions take shape in Europe for the scandalous discrimination of a significant part of the population of the states, and that new sources of tension and conflicts are created."

The letter contains an appeal to the U.N. secretary general "to take all steps through the UN Security Council and the General Assembly to prompt the Baltic states to carry out conscientiously and in full the obligations which they have undertaken under bilateral and international agreements in the sphere of observing human rights and freedoms."

The Russian president proposed that the "issue of mass violations of human rights and freedoms in these states be included on the agenda of the 47th session of the UNGA as an issue of importance and urgency."

Government Directive Sets Up Troop Withdrawal Commission

PM1311114992 Moscow KRASNAYA ZVEZDA in Russian 11 Nov 92 p 1

[Russian Federation Government Directive No. 2044-d issued by Acting Premier Ye. Gaydar in Moscow on 5 November]

[Text] 1. In accordance with the Russian Federation Security Council decision dated 4 November 1992, a working commission is to be formed under the Russian Federation Government to tackle all questions connected with the withdrawal of Russian troops and naval forces from the Republic of Latvia, the Republic of Lithuania, and the Republic of Estonia to Russian Federation territory, with the following membership:

V.F. Shumeyko, first deputy chairman of the Russian Federation Government (chairman of the commission);

B.V. Gromov, Russian Federation deputy minister of defense (deputy chairman of the commission);

A.A. Astakhov, Russian Federation deputy minister of finance;

R.T. Aprelikov, director in charge of contracting orders for state needs of the "Roskontrakt" Federal Contracting Corporation;

I.S. Materov, Russian Federation deputy minister of the economy;

V.I. Churkin, Russian Federation deputy minister of foreign affairs.

2. The working commission is to ensure close collaboration with the organs of executive authority of Russian Federation republics, krays, oblasts, autonomous formations, and the cities of Moscow and St. Petersburg on whose territory it is planned to station the military formations which are withdrawn.

3. The commission chairman is to ratify the statute on the commission.

[Signed] Yegor Gaydar

Churkin, Air Defense General on Baltic Withdrawal

MK1211090192 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 45-46 (Signed to press 10 Nov 92) p 11

[Grant Gukasov report: "For Internal Use"]

[Text] President Yeltsin's directive on suspending the halting of the Russian troop withdrawal from the Baltic was an "internal document"—that was how Vitaliy Churkin, Russian Federation deputy foreign minister, described the president's statement at a press conference devoted to the results of his visit to Estonia. According to Vitaliy Churkin, the directive was linked to the need to set the relevant Russian departments the task of resolving a whole range of socioeconomic issues connected with the troop withdrawal and the domestic political situation in Russia.

"All this has been quite unsuccessful," the Russian Federation deputy foreign minister summed up. "The directive was written in the language of an internal document. If the Russian Foreign Ministry had been involved at the drafting stage, it would have been worded differently."

"We are in a situation where the 'ball has been rolling' for a long time," MOSKOVSKIYE NOVOSTI's correspondent was told by Major General Ziyatdin Abdurakhmanov, who is in charge of all the remaining air defense units in the republic, "and it is simply impossible to halt the withdrawal process. Three air regiments and a helicopter squadron have left from my division. Ground services and equipment have been left behind. In a month's time we will have only 5 percent of the draftees we need [v stroyu budet pyat protsentov soldat srochnoy sluzhby]—so who will guard the remaining equipment? It'll all be stolen! It's hard to know just what the Russian president had in mind with this directive."

Ruslan Khasbulatov, who was in Ivangorod at the time, stated that the forthcoming Congress of Russian People's Deputies will adopt a decision to grant the Estonian-Russian border the status of a state border. To which Estonian Foreign Minister Trivimi Velliste reasonably remarked: "The state border between neighboring countries is established solely on the basis of bilateral talks." Clearly, Khasbulatov's statement too was intended solely for domestic consumption.

Government Adopts Measures on Funding Troops in Baltics

PM1311112392 Moscow KRASNAYA ZVEZDA in Russian 12 Nov 92 p 3

[Unattributed report under the "Direct Line" rubric: "Russian Government Seeks Funds To Finance Russian Troops in Baltic Countries"]

[Text] Moscow, 11 Nov—The Russian Federation Government has envisaged a number of measures to finance the upkeep of Russian troops on the territory of Latvia, Lithuania, and Estonia during the introduction of national currencies there. A special directive has been issued on this subject.

Under the document, it is planned that part of the funds in freely convertible currency obtained by the "Gazprom" concern from the export of gas to Estonia will be channeled into the upkeep of Russian troops in that country. It is envisaged that, pending the conclusion of an intergovernmental agreement between Russia and Latvia, 15 percent of the cost of the Russian gas being exported will have to be paid for in Latvian currency. These funds must be entered into a Bank of Russia subcorrespondent account for expenditure on Latvian territory. This settlement procedure could also be introduced for deliveries of Russian gas to Lithuania.

As an additional measure, the government proposes to allocate funds in rubles and freely convertible currency to Russian troops stationed in the Baltic countries.

In the event that the Banks of Latvia and Lithuania refuse to issue national currency in cash or make noncash payments from the Bank of Russia's subcorrespondent accounts, the "Gazprom" concern is allowed to reduce the supply of gas to these states and sell it to other partners.

Official: No Plans for Yeltsin To Visit Japan in Dec

LD1211065292 Moscow ITAR-TASS in English 0616 GMT 12 Nov 92

[By ITAR-TASS correspondent Vasiliy Golovnin]

[Text] Tokyo November 12 TASS—Russian President Boris Yeltsin is not going to visit Japan this December, according to a well-informed Russian official who arrived to Seoul to prepare the visit of the Russian president to South Korea which is to begin on November 18.

The official who asked not to be named told TASS by telephone on Thursday that Yeltsin "has no plans to visit Japan until the end of 1992", thus denying recent Japanese mass media reports. [sentence as received]

The Russian Embassy in Tokyo told TASS it has no information on the visit.

Japanese Delegation Urges Kurils Solution

LD1111092592 Moscow ITAR-TASS in English 0648 GMT 11 Nov 92

[By ITAR-TASS correspondent Yuri Vitrishchak]

[Text] Khabarovsk November 11 TASS—Yoshimori Takada, president of the Japanese Association for Expediting a Solution to the Northern Territories Issue, has expressed a tough stand concerning Japan's claim to the four Kuril Islands. Mr. Takada is heading the association's delegation visiting here. The delegation includes members of prefectural parliaments, scientists, and public figures.

"The purpose of our visit is to deepen mutual understanding on the problem which is of exceptional importance to the Japanese people," Mr. Takada said.

"The circumstance that there has been no peace treaty between our two countries for 47 years may not be regarded as normal. But the conclusion of a peace treaty is directly dependent on the Russian stand on the problem, the existence of which has been recognised by Russia," he said.

"We wholeheartedly wish for the normalisation and improvement of Japanese-Russian relations. Contacts between broad sections of the two countries' population in the form of meetings-dialogues, which originated this year within the framework of visa-free visits to the four islands, also serve to deepen mutual understanding," Mr. Takada added.

The delegation members acquainted administration and councils' chiefs of Khabarovsk territory with this stand of the Japanese side. The delegation also intends to visit Nakhodka and Vladivostok.

Kozyrev Discusses Tajik Peacekeeping Mission's Results

MK1211124792 Moscow NEZAVISIMAYA GAZETA in Russian 12 Nov 92 p 3

[Interview with Russian Foreign Minister Andrey Kozyrev by Igor Rotar; place and date not given: "Creating a State Council Is the Only Right Decision. Russian Foreign Minister Andrey Kozyrev on Results of Peacekeeping Mission in Tajikistan"—last two paragraphs are report]

[Text] [Rotar] Were you not surprised that the leaders of the Central Asian republics have not adequately looked into the Tajik problem?

[Kozyrev] I don't think there's anything to be surprised about in this case. Following the disappearance of the unified center we have all found ourselves facing up to entirely new realities. Nor should it be forgotten that in Tajikistan we are constantly encountering an "external" force, but this is just the surface—underneath, it seems to me, are internal structures with extremist overtones. We must realize that we don't have answers to all the questions. But this is better than the option of self-deception that was chosen in Afghanistan.

[Rotar] Don't you think that, after the Kulyab leaders categorically refused to recognize the State Council, this idea—which emerged collectively from the leaders of Central Asia, Kazakhstan, and Russia—is dead even before it is put into practice?

[Kozyrev] I think that creating a State Council is the only right decision. In this instance it is not a question of what is best, but of at least doing something. If the choice were between a State Council or a truce, then I would undoubtedly prefer the latter. But the war is still going on. The State Council is an attempt to set up a structure which would include all the warring factions. The current coalition government is very vulnerable to criticism—for instance, the Kulyab people are not represented in it. The State Council removes this shortcoming—it includes representatives of all the regions.

You are, of course, right—the Kulyab people may not agree to join the State Council, but this will mean that they have elected for a strong-arm policy. I want to reemphasize that the State Council is a far from ideal structure, but there is simply no alternative to it.

[Rotar] How strong, in your view, is the influence of the "guy with a rifle" on the leaders of the opposing forces in Tajikistan?

[Kozyrev] They have an exceptionally great influence on each other. And, regrettably, very often it is that "guy with the rifle" who dictates his will to Tajik politicians. When an armed cook starts running entire regions—or even countries—it's scary. And I get the feeling that there is a second armed mafia group in Tajikistan that is dictating its will.

The State Council, which will include legitimate leaders, is only a partial solution to the problem. It is important that this structure can rely on General Ashurov, chief of the Russian Army's 201st Motorized Rifle Division. This will indicate to the mafia groups that they will have to take account of the State Council.

[Rotar] Russia has taken some quite resolute steps. Although Rakhmon Nabiyev remains president until a session accepts his resignation, you preferred to deal with Akbarsho Iskandarov (acting Tajik president—NEZAVISIMAYA GAZETA). The Russian Army's 201st Division has become the basis for the creation of peacekeeping forces in Tajikistan. Aren't you afraid that Russia will start to be reproached for being excessively active?

[Kozyrev] This is a situation where there is no ideal answer. Let's not be offensive—did we have to deal with Rakhmon Nabiyev?! I think this kind of question could be discussed ad infinitum. Let's get back to the question of the 201st Motorized Rifle Division. Yes, we could indeed have tried to withdraw it, but I would emphasize the word "tried." There would have been losses of equipment, and possibly other losses too. There would have been panic in Dushanbe—not only among the Russian-speaking population, but among many Tajiks too. Moreover, it should not be forgotten that we reached a collective decision. We have been acting under the mandate of the Bishkek summit of CIS heads of state and the Alma-Ata summit of the presidents of Central Asia and Kazakhstan.

[NEZAVISIMAYA GAZETA report] Some more news has emerged from reliable sources of the results of A.V. Kozyrev's recent meeting in his capacity as Russian President B.N. Yeltsin's personal envoy with the Uzbek, Kazakh, and Kyrgyz presidents in Alma-Ata, and with the Turkmen president in Ashgabat, and—in his capacity as head of the Russian Foreign Ministry—in Dushanbe, Kulyab, and Kurgan-Tyube.

The Russian side considers it useful to implement additional measures through the Russian Supreme Soviet. It could be a question of sending delegations and individual deputies from the Russian Supreme Soviet on a peace-making and humanitarian mission to Tajikistan; of using interparliamentary ties to bring about joint efforts in Tajikistan by the CIS countries; and of holding hearings in the very near future at the relevant Supreme Soviet committees and at a joint session of the chambers on the concept of Russian policy in the Central Asian region, taking account of the prevailing realities there and the use of Russian troops in peacekeeping operations in the CIS. It is planned that the Russian Federation Supreme Soviet will invite a delegation from Tajikistan's Russian-speaking community to Moscow and give it a chance to meet with deputies, address the Supreme Soviet, and have access to Russian Television and radio.

Kozyrev Wants Russia To Act as 'Peacemaker' in Tajikistan

MK1111143092 Moscow NEZAVISIMAYA GAZETA in Russian 11 Nov 92 pp 1-2

[Igor Rotar report: "Moscow Trying to Stop Tajik Strife. But Little Chance of Compromise"]

[Excerpts] The attempt by the Russian president's personal representative—Foreign Minister Andrey Kozyrev—to overcome the Tajik crisis is convincing evidence of Moscow's concern about the unstable situation in the Central Asia region. At a meeting with servicemen from the 201st Motorized Rifle Division the country's chief diplomat set out for probably the first time Russia's geopolitical concept in the mystic east of the collapsed empire. In Andrey Kozyrev's opinion, although the stagnant concept of preparing for war with the United States is a thing of the past and there is a prospect of an alliance with that country, any thought that there will be no conflict at all in relations with the transatlantic superpower is exaggerated. There is still competition in the weapons and uranium markets. As the Russian president's personal representative put it: "There are two extreme views of Russian policy in Tajikistan. The first version envisages a complete breakoff of relations with that state. The other extreme view supposes that Russia should intervene as vigorously as possible—including intervention using force—in Tajikistan's internal affairs. In my view, both these options are unacceptable. A complete Russian 'withdrawal' from Tajikistan would be a defeat for Russian national interests and a betrayal of our neighbors (I mean the Tajiks). Nor should we forget that there are Russians living there. Whereas previously Russia's presence was seen as representing imperial diktat, today we must change this impression. Russia should act as peacemaker... Russia's geopolitical interests in Central Asia today are not a struggle for a sphere of influence. In order to protect the Russian border we must strive for political stability in the Central Asian states." [passage omitted]

The threat of new military clashes in Tajikistan is exceptionally high. It is worth noting that, as NEZAVISIMAYA GAZETA's correspondent was told by Sangak Safarov, leader of the Kulyab paramilitaries, his detachments plan to take control of the "lifeline road" linking Kurgan-Tyube with the Uzbek city of Termez in the very near future. "We must obtain humanitarian aid from Uzbekistan without let or hindrance," Safarov stated. But the new bloodshed compels those trying to settle the conflict to take resolute action. The only realistic force in Tajikistan that can separate the parties is the Russian Army. A protocol signed by acting Tajik President Akbarsho Iskandarov and Eduard Vorobyev, deputy commander in chief of Russian Ground Forces, contains a noteworthy paragraph: "The Russian Army may use weapons to protect the civilian population from direct encroachments on their life and health." Since the warring factions in the internecine war in Tajikistan prefer not to treat the population of the "enemy" region with kid gloves, it is becoming practically inevitable that the Russian Army will be drawn into the conflict.

But even the Russian Army would hardly be capable of stopping a civil war in Tajikistan. Clearly, it was no accident that, when interviewed on "Itogi," Andrey Kozyrev was very reserved in his assessment of the results of the peacekeeping mission, all but calling it useless.

* Article Weighs Use of Force in Caucasus

934C0291A Moscow NEZAVISIMAYA GAZETA in Russian 7 Nov 92 p 3

[Article by Pavel Felgengauer: "Are We Entering a Caucasian War? Either Russia Will Control the Caucasus or the Caucasus Will Control Russia"]

[Text] When on the outskirts of what was then still the Soviet Union the citizenry first took up arms in the fight for the Right Cause and Historic Justice, it was quite obvious that at some point it would make its way to the threshold of Russia itself. Incidentally, one might think that the beginning of all the subsequent outrages was the Afghan campaign of the Soviet Armed Forces. For that was where the forced retreat of the Great Soviet Army began, which today increasingly resembles the textbook model—the retreat of the Great French Army in 1812: piles of weapons abandoned in the snow, depressed officers loaded down with bags of household goods, abandoned positions, partisans and Cossacks wearing shaggy fur caps.

Incidentally, during the last years the public generally got used to seeing the "wronged" and humiliated army. In recent years since Afghanistan, public opinion has been quite unequivocal: The clear majority of the Russian population were undoubtedly against any use of Russian troops (especially draftees) beyond Russian borders. But where these borders actually begin remains completely unclear. In any case with the Northern Caucasus.

And after all this November, along with the glorious anniversary of the defeat of the Great Army on the territory of the now sovereign Belarus in 1812, in Russia there is another anniversary—it has been a year since the unsuccessful attempt to introduce a state of emergency in Chechnya. At that time the Supreme Soviet and Russian society as a whole were completely unprepared to maintain law and order in Chechen-Ingushetiya through mass application of armed force. But this November the Supreme Soviet of the Russian Federation unanimously supported the state of emergency in Ossetia and Ingushetiya. Obviously, many people were convinced that in principle certain conflicts cannot be resolved through negotiations alone.

But now, a year later, Russia actually has only two possible strategies for further action.

The first is to retreat from the Northern Caucasus, to leave the foothills as they left Afghanistan in 1989 and restore the previous reinforced border along the Kuban and Terek, following the model of the Caucasian lines of the 18th-19th centuries, in order to prevent further spread of armed violence into Central Russia, thus leaving the Northern Caucasian peoples and nationalities to their own fate. Too busy destroying one another and themselves, perhaps they will leave the rest of Russia alone for the time being, for as long as the new border remains strong enough. Passions somehow subside with time and the mountain people cannot live without Russia, so then it will be possible to build a new, more cordial and reliable Russian-Caucasian community.

But there is little hope of such a development of events. One cannot separate oneself from the Caucasus by a "quarantine zone." In any case, all attempts made for a year now to isolate sovereign Chechnya through the forces of the Ministry of Internal Affairs of the Russian Federation have led to nothing good. Moreover, departure from the Caucasus or even simply Russian neutrality during the interethnic strife has caused a flood of refugees (and certainly not just Russians) which is overwhelming and destabilizing the south and center of Russia.

And abandoned by Russia, the Northern Caucasus will most likely become a conglomerate of arbitrary feudal "outlaw" republics, a source of weapons and narcotics, and a reliable refuge for criminals and terrorists. And all this is not the result of somebody's ill will or bad genes, but is completely predictable, resulting from poverty, a surplus of able-bodied population, and the overall inability to create a truly independent "mountain" economy.

The second version of the future Russian Caucasian policy, obviously, consists in staying in the region as a guarantee of peace and lawfulness. But this will inevitably require constant intervention of the federal authorities (mainly law enforcement organs) in the internal affairs of the "sovereign republics."

It all boils down to a situation where either Russia controls the Caucasus or the Caucasus will control Russia.

The latest decisive actions on the part of the Russian president and parliament seem to indicate that a basic decision has been made in Moscow—the invasion of Ingush detachments into North Ossetia forced the Russian leadership finally to take resolute actions. But this could result in the beginning of "another Caucasian war," about which there have been so many discussions throughout the past year.

It is now quite obvious that the time for resolute action has been missed. If a year ago a decision about a state of emergency in Chechen-Ingushetiya had not only been announced but actually carried out, it would not have been necessary to send Russian troops into battle now, under incomparably worse conditions, when the detachments of mountain men are better organized and are armed not only with rifles but also with heavy weapons (Chechnya even has jet fighter bombers, although, true, they are the obsolete Czech L-38 trainers with engines that have been used beyond their service life).

Incidentally, at that time, in November 1991, the Russian army did not yet exist. There were two presidents in Moscow and the army (formally) was under the commander in chief—President Gorbachev, who did not support Yeltsin's edict concerning a state of emergency in Chechen-Ingushetiya. At that time the troops were given an order to observe strict neutrality, and the performance of the task was shifted entirely to the shoulders of the Ministry of Internal Affairs of the Russian Federation, which, however, was also operating without any special enthusiasm.

Now the situation is altogether different. Russia now has its own army. Of course, it is weaker than the former Union Army, but it should have the strength and means to maintain law and order in the Northern Caucasus. The actions of Russian troops in Ossetia and Ingushetiya are led by the commander in chief of internal forces, Colonel General Vasiliy Savin, but the general staff of the Russian Army has sent in units of the Pskov paratrooper division (they had not yet been involved in other peacekeeping operations) to support the forces of the Ministry of Internal Affairs.

Obviously, if the situation requires it, not only transport but also Russian combat aircraft—the most combat-ready part of the Russian Army along with the paratroopers—can be used in the Caucasus.

The Northern Caucasus is a sphere of vitally important Russian interests, and order should be imposed there, but to do this, political and diplomatic efforts must be backed up by a significant armed force. And another 60-year Caucasian war like the one that went on during the times of Imam Shamil is hardly possible now, at the end of the 20th century. Then the mountain men made their own arms and gunpowder, they manufactured bullets and cannons, since the geographical situation of the Northern Caucasus practically precludes any foreign military aid, not to mention intervention. But quick modern partisan wars like the Afghan war of the Soviet Union—or, before that, the Vietnam war—require namely a constant influx of arms, ammunition, and reinforcements from a nearby but politically inaccessible "neutral" territory. The main Caucasian mountain range is a physical barrier that is practically impenetrable and therefore it is quite suitable as a natural border for Russia in today's difficult times.

India Interested in Buying Russian Warships

LD1211105792 Moscow ITAR-TASS in English 1015 GMT 112 Nov 92

[By ITAR-TASS correspondent Roman Zadunaiskiy]

[Text] Moscow November 12 TASS—Chief of Staff of the Indian Navy Admiral Lakshmi Ramdas is currently paying an official visit to Russia at the invitation of Commander-in-Chief of the Russian Navy Admiral Feliks Gromov.

The Indian guest has already been to the northern fleet's base and was hosted on several surface craft and submarines there. He highly praised the technical standards of Russian warships and the combat skill of their crews.

At present, Lakshmi Ramdas is visiting St. Petersburg, where he has had talks with commaners of the Leningrad naval base, has familiarised himself with training facilities of the naval academy named after Admiral Kuznetsov.

ITAR-TASS has learned from informed sources that Admiral Ramdas has displayed interest in the purchase of Russian warships and the training of Indians at Russian naval schools.

Deputy Minister Sees 'Great Solution' to 'Nuclear Forces'

OW1211143292 Moscow INTERFAX in English 1402 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] While visiting the Rezhits rocket division, Andrey Kokoshin, the first deputy Russian Defense Minister, declared to journalists on Wednesday that Russia was standing on the threshold of great solution on strategic nuclear forces. He drew attention to the fact that at present these forces were assessed not only from the point of view of their combat efficiency but from the point of view of nuclear safety and security during exploitation and viability in case of an attack.

The Russian commander also pointed out that Russia was able to do everything necessary to maintain its strategic nuclear forces but it did not intend to refuse from the cooperation with the other CIS countries in their production. [sentence as received]

Russia and the United States are far away from the minimum level of nuclear deterrence, the deputy minister reminded. According to Kokoshin, the limit of the disarmament foresees inadmissibility of an attack destroying the retaliation forces. For the time being, it is necessary to proportionally reduce nuclear arsenals watching attentively for one another.

Shumeyko Says Military Spending One-Eighth of USSR's Expenses

OW1011173492 Moscow INTERFAX in English 1708 GMT 10 Nov 92

[Following item transmitted via KYODO]

[Text] Russia's military expenses in 1993 will be no higher than ⅛ the military expenses of the former USSR were last year, announced Russian Vice Premier Vladimir Shumeyko. He also stressed that the Russian Government plans to make major changes in the budget policy "in the near future." Appearing at an international banking conference in Moscow, the vice premier emphasized that the government plans to give local powers the right to allocate a major part of budget expenses. Currently 75% of all budget expenses are spent at the federal level and 25% at local levels.

Government Sets Up Russian-British Trade Committee

LD1111105992 Moscow ITAR-TASS in English 1748 GMT 10 Nov 92

[Text] Moscow November 10 TASS—A Russian-British inter-governmental trade and investments committee was established by a resolution of the Russian government. The committee will develop mutually beneficial contacts and help create a favourable climate and legal foundation for economic cooperation.

The government approved the draft agreement on economic cooperation between the Russian Federation, Britain and Northern Ireland, the government's press centre reports today.

In the agreement, the sides are supposed to pledge to create all necessary conditions for investments in their countries, use effectively available opportunities for backing up mutual businesslike cooperation and joint enterprise and also to exchange visits and hold fairs, exhibitions, seminars and other events that promote the development of economic and commercial links.

Moscow Plans To Pay Off Chinese Credits With Weapons

OW1111033292 Moscow INTERFAX in English 1936 GMT 10 Nov 92

[From the "Business Report" feature—item transmitted via KYODO]

[Text] Russia plans to sell China weapons and military technology worth $500 mn [million] to pay off Chinese credits to Russia, which, as of October 1992, total about $1.07 bn [billion]. Specialists from the Russian Ministry for Foreign Economic Relations (MFER) are hoping that China might buy $2 bn worth of weapons from Russia by 1994.

Overall trade between Russia and China in 1992 should reach $4 bn, according to MFER estimates.

During negotiations in Moscow, Chinese military leaders expressed interest in acquiring aviation technology and equipment for anti-aircraft systems, including the newest Su-27 and MiG-29 fighter planes, Il-76 transport planes and C-300 anti-aircraft complexes. Russian military experts think that such deals could be worth $1.4 bn. All deliveries should be completed by 1994.

Russian experts at meetings of the joint Russian-Chinese military technology commission told Interfax that China is also hoping to buy ships, cutters, diesel submarines and weapons for land troops worth $1.2 bn from Russia.

China, according to Russian experts, wants to place very profitable orders with enterprises in Russia's military industrial complex, which would help stabilize production levels in Russia. In addition to this, the Chinese are interested in having Russian specialists renovate their defense industry, the basis of which was created by the Soviet Union. The Chinese government is developing a special program to prepare and train Chinese specialists at Russian defense enterprises.

During the first half of the year, trade between Russian and China was worth, according to the Chinese side, $1.47 bn, which is 1.5% of China's total volume of foreign trade. Presently China is in seventh place among Russia's main trading partners, in 1991 China was in ninth place and in 1990 the country held 13th place.

China imports rolled ferrous metals, chemical fertilizer, timber, trucks, automobiles, construction machinery and energy equipment from Russia. The Chinese government is particularly interested in signing a contract to buy 6,900,000 KiloWatt capacity energy equipment from Russia.

Russia buys industrial raw materials from China, wolfram concentrate, raw silk, consumer goods and food. There are already 120 Russian-Chinese joint ventures in Russia in construction, services, medicine, hide tanning, fur and the timber processing industry.

Kozyrev Stresses Historic Friendship With PRC

LD1111203192 Moscow ITAR-TASS World Service in Russian 1320 GMT 11 Nov 92

[By ITAR-TASS correspondents Grigoriy Arslanov and Andrey Kirillov]

[Excerpt] Beijing, 11 Nov—Russia cherishes the historic traditions of good-neighborliness, friendship, and cooperation with China says a message of greetings sent by Russian Federation Foreign Minister Andrey Kozyrev to the participants in the scientific conference "Relations Between China and Russia in Contemporary Conditions" which opened in Beijing today. Our countries, the minister writes, are on the threshold of a major event, the official visit to the PRC by Russian President Boris Yeltsin which is called upon to raise Russian-Chinese links to a qualitatively new level. The questions being discussed at the conference, the message stresses, are of great importance for the peoples of the Russian Federation and the People's Republic of China, for contemporary international relations in the Asia-Pacific region and in the world as a whole. Among the participants in the symposium are academics, diplomats, and journalists of the two countries. [passage omitted]

Mongolian Defense Minister Notes 'Difficult Situation' in Ties

PM1011170992 Moscow KRASNAYA ZVEZDA in Russian 7 Nov 92 p 2

[Aleksandr Golts report: "Visit Over, But Problems Remain"]

[Text] Mongolian Defense Minister Lieutenant General S. Jadambaa has ended a working visit to our country. KRASNAYA ZVEZDA's correspondent met with him before he left for home.

Talking about the results of the talks held in Moscow, Lt. Gen. Jadambaa stressed that their main aim was to further the continuation and development of relations based on genuine friendship, cooperation, and good-neighborliness—relations which have taken shape over many decades between the peoples and armies of our countries. This was the recurring theme of a conversation with Acting Government Chairman Yegor Gaydar, as well as in talks with First Deputy Defense Minister A. Kokoshin.

The Mongolian defense minister noted that the difficult situation in which both countries find themselves also affects bilateral links in the military sphere. It is no secret that in the past Moscow has given significant uncompensated or preferential aid to the Mongolian Armed Forces. Now, during the switch to a commercial footing, the quest for mutually acceptable ways of continuing full-blooded cooperation in the military-technical sphere and in training specialists has progressed only with difficulty.

An agreement to regulate property questions in the light of the complete withdrawal of Russian troops from Mongolia was not signed. At the same time, the minister did not conceal his concern that major material assets and residential buildings, having found themselves to all intents and purposes without an owner, will fall into disrepair and go to ruin. During the visit it was decided to define more precisely and as quickly as possible the already agreed text of the agreement.

In conclusion, Mongolian Defense Minister Lt. Gen. Jadambaa stressed that the talks and contacts which took place inspire hope that the sides will find an opportunity to develop bilateral cooperation in all areas, including the military sphere. After all, this is in the interests of both countries.

Government Increases Control Over Imports, CIS Exports

OW1211060992 Moscow BALTFAX in English 1635 GMT 11 Nov 92

[Following item transmitted via KYODO]

[Text] On January 1, Russia will introduce a unified procedure of issuing licenses and quotas for imports and exports, including goods sent to the CIS states, Azerbaijan, Georgia, Latvia, Lithuania and Estonia, the Russian government's press center reports.

Special emphasis will be laid on the rules of exporting and importing nuclear materials, know-how and equipment, isotopes, goods containing precious metals and stones, and medicines.

Transportation enterprises have been forbidden to handle the above-mentioned goods without corresponding accompanying documents and permits issued by Russian customs bodies.

Legal action will be taken against those violating the new rule.

Government Makes No Moves To Extradite Azerbaijan's Ex-President

LD1111113692 Moscow ITAR-TASS in English 1836 GMT 10 Nov 92

[By ITAR-TASS correspondents Nikolay Zheleznov and Sergey Postanogov]

[Text] Moscow November 10 TASS—The Russian authorities have not adopted any decision yet on the extradiction of former President of Azerbaijan Ayaz Mutalibov as Azerbaijan has not yet requested to hand him over, according to a senior official of the legal department of the Russian Foreign Ministry who asked not to be named.

There is no law in Russia that would establish rules for extradiction to foreign states of people who committed crimes there and such issues are settled separately in each concrete case, he added.

Mutalibov, who is currently staying in Russia, was accused by the Azerbaijani prosecutor's office of attempts to seize power in the republic on May 14-15 this year after he had resigned. Azeri police was ordered to arrest Mutalibov.

Russia usually abides by legal assistance agreements with other countries in such issues, but it has no such agreement with Azerbaijan, the official said.

To get Mutalibov back Azerbaijan has to forward a corresponding request through diplomatic channels and the Russian prosecutor's office will then decide on the issue.

Spokesman for the Russian prosecutor's office Aleksander Zvyagintsev told TASS no requests had been received from Azerbaijan.

Political Issues

Reaction to Parliament Moves on Law on Government

Shumeyko, Others Discuss Law

LD1311125992

[Editorial report] Moscow Russian Television Network in Russian at 1530 GMT on 12 November broadcasts in its "Parliamentary Herald" program a discussion between Vladimir Filipovich Shumeyko, first deputy chairman of the Russian Government, Mikhail Alekseyevich Mityukov, chairman of the committee for legislation of the Russian Supreme Soviet, and People's Deputy Sergey Nosovets. The date of the discussion is not given.

Mityukov expresses concern about the fate of the law on the government in view of the conflict between the executive and legislative authorities. This law should be examined within the context of the Constitution.

Shumeyko replies: "I completely support Mikhail Alekseyevich [Mityukov] here. We have repeatedly pointed out at the Supreme Soviet that this law violates the Constitution. Of the 12 clauses adopted, the Constitution is violated in six. As you correctly noted, you cannot be sure that the Congress will adopt those amendments. This law is therefore stillborn as they say.

"The situation turns out to be a paradoxical one. On the one hand, the deputies are subjecting the executive authorities to scathing criticism. On the other hand, they are requesting that this criticism be within the law, and saying that the executive authorities are obliged to act within the law. On the other hand the law is coming into being in the wrong manner. Not just in the wrong manner, but in such a way as to completely violate the Constitution.

"As the official representative of the president, I do not have the right to interfere in the proceedings of the Supreme Soviet in any way. Together with the Supreme Soviet, I am forced to adopt those clauses that are being adopted and to waste all my time precisely on that. I would like to say quite officially that I was forced to adopt the law.

"However, I want to state officially, as the representative of the president, that not only has the Constitution been violated, but the regulations have been broken in the most flagrant manner. This fact was already discussed on Friday, 6 November. A complete outsider, who was not a member of the Supreme Soviet at all, took part in the roll vote for the deputies. This is an unprecedented case in world practice, in the practice of any parliament. Our Supreme Soviet, however, ignored it. In spite of the repeated proposals on your part that the work should be re-examined, should started over again, the Supreme Soviet today considered it possible to continue adopting it.

"Therefore, following the adoption of the law, as the official representative of the president, I will be forced to state that this procedure will be challenged in the Constitutional Court. And we in the Constitutional Court will definitely....[changes thought] As the president's representative, I will report on all the details regarding the adoption of this law, and will recommend that the relevant proposal on an investigation of this incident be submitted to the (?Constitutional Court). I will recommend that the president not even look at the draft that the Supreme Soviet submits to him until the Constitutional Court has made some kind of decision, because those 12 clauses, in the state that they have been adopted today, completely prevent the executive power from working normally. The principle of separation of powers is completely reduced to naught."

Nosovets says it is his impression that the very complex process of arbitration, the search for compromise, is being reduced to nothing by such decisions of the Supreme Soviet.

Mityukov agrees with this, and says there may be a presidential veto. The law as adopted has failed to sort out the legal basis of relations between executive and legislative authorities. He predicts that there will be a lot of argument at the upcoming Congress over changes to the Constitution.

Nosovets then asks Shumeyko about Deputy Chelnokov's warning about the threat of a state of emergency, about the need for the Supreme Soviet to remove mass media chiefs from their posts, to bring the Security Ministry under its control, and so on and so forth.

Shumeyko replies: "As a people's deputy, Mikhail Borisovich Chelnokov has the right to say whatever he feels he has to say. His status as a deputy entitles him to do this. If this is the way he thinks, he has the right to speak his mind. All I can say is that his remarks are, of course, completely far-fetched. I don't wish to dispute either the points in his statement or its general thrust. I merely leave it to his conscience, to his awareness of what is going on in the world, of what is going within the state. I just don't wish to comment on what he said."

Nosovets concludes the discussion by saying that the Supreme Soviet intends to assume all power in Russia and to ignore the principle of separation of powers.

Shumeyko Statement to Yeltsin

PM1211213992 Moscow ROSSIYSKIYE VESTI in Russian 13 Nov 92 p 1

[Unattributed report: "First Vice Premier Vladimir Shumeyko Recommends Boris Yeltsin Not To Sign Law 'On Council of Ministers'"]

[Text] After the Russian Supreme Soviet rejected all the amendments proposed by the president to the Law "On the Council of Ministers," Vladimir Shumeyko issued a statement. It reads:

"As the Russian president's official representative, I must state the following:

"1. When adopting the draft Russian Federation Law 'On the Council of Ministers—Government of the Russian Federation' on its second reading, not one of the amendments proposed by the Russian Federation president in connection with fulfilling the requirements of the Russian Constitution was adopted, whereas almost all the amendments submitted by Russian Federation people's deputies were adopted, in violation of the constitution.

"2. The law adopted on its second reading, with all the amendments made to it, not only runs counter to the principle of the separation of powers into the legislature, the executive, and the judiciary but also renders impossible the normal work of the government as the organ of executive power accountable to the Russian president.

"3. In the event that the changes to the existing Constitution connected with the adopted amendments are not adopted by a qualified majority at the Congress of Russian People's Deputies, this law becomes ineffective.

"4. When adopting this draft law on its second reading, a most gross violation of the Supreme Soviet Standing Orders was officially established, taking the form of a vote using two people's deputies' cards (during the individual voting) by an outsider who is not even a Russian people's deputy.

"On the basis of the aforesaid I officially declare that I, together with the State Legal Administration, have prepared for submission to the Russian president a petition to the Russian Federation Constitutional Court to deem unconstitutional the Law 'On the Council of Ministers—Government of the Russian Federation' adopted by the Russian Federation Supreme Soviet on its second reading and to annul the results of its adoption because of a most gross violation of the Supreme Soviet Standing Orders.

"Prior to the Constitutional Court's decision, the president is to be recommended not to consider this law and not to adopt it for signing."

Shumeyko Move, 'Fear' of Parliament Viewed

PM1211212992 Moscow ROSSIYSKAYA GAZETA in Russian 13 Nov 92 First Edition p 1

[Observer Aleksandr Linkov commentary: "Why the Government Is Afraid To Answer to Parliament"]

[Text] At the end of last Wednesday's protracted evening sitting of the Supreme Soviet, First Vice Premier Vladimir Shumeyko, vexed at the results of the discussion of the draft law "On the Council of Ministers—Government of the Russian Federation," made a statement. He accused the parliament of adopting only the deputies' amendments and rejecting all the president's. In the first vice premier's opinion, individual articles of the draft run counter to the Russian Constitution. In this connection Vladimir Shumeyko intends to recommend to the Russian president not to sign this draft law and also to send a petition to the Constitutional Court about its anticonstitutional nature and the annulment of the voting results.

What provoked such a step? If someone other than the vice premier had taken it, it would have been understandable. The law under disucssion is not a gift for the government and the president, and the president will have to reckon with the opinion of the Supreme Soviet on many questions. But the statement "for effect," with ultimatum-like tones, was made by someone who quite recently was a people's deputy and deputy chairman of the Supreme Soviet. He knows parliament perfectly well. Just as he knows that he enjoys weighty prestige in the White House.

On the same evening news agencies carried the sensation of the first vice premier's statement on all channels. True, they forgot to stipulate that the law itself has not yet been finally adopted. It is proposed to do so only Friday, 14 November [as published]. Moreover, it will also have to be approved by the Congress of People's Deputies.

But the chief thing was done: Wood was thrown on the fire. There is one more reason to point a finger at parliament: Look at the one we have, it makes life impossible for the government!

What, in actual fact, are we talking about? About constitutional law and—let us say more—about parliament's duty to influence the highest organs of executive power and the choice of the reforms' strategic areas. This can be done, in particular, if parliament, together with the president, determines the government's personnel composition and, above all, the key figures in it. And, incidentally, if it bears responsibility, together with the president, for the government's policies and actions.

What is bad about that? Why does the present government fear parliament like fire and despise it so avidly?

There are several explanations for this. I will dwell on one.

The goals outlined by the government a year ago not only have not been achieved but most of them have proved to be erroneous and to have led to the directly opposite results. Naturally the government is nervous, and since it is our custom in Russia to blame everything on the "enemy," it is necessary to find him. The government found him long ago in the person of parliament. The choice of parliament as the "enemy" is natural, too—for we have no parties which would act in opposition to the government and which it would be possible, should the need arise, to blame for the misfortunes. So, either parliament is the enemy, or the people are. Thank God, they have not yet hit upon the idea of declaring the people the "enemy."

The government also actively exploits the following argument: A unified team is needed at a time of radical reforms. But is this argument really all that incontestable? Quite the opposite under conditions when society is unstable, when there is no steady public opinion about the reforms being implemented, and when a coalition government is needed. A government which would adopt fateful decisions not in a perfunctory manner, not on the say-so of one or two young doctors or candidates of sciences, even if they have had practical experience in Oxford, but mindful of the contradictory state of society and the economy.

These elementary truths, however, are rejected outright by certain members of the government—primarily those who failed to cope with their own responsibilities and so risk losing their job.

This is the truth. Everything else around it is mere squabbling and the arrogance of fabrication. It is a great pity that it is these qualities and not a sense of responsibility for the fate of the country and the people that manifest themselves at such a crucial hour for the homeland.

And yet, for all that.... Maybe we have had enough of all the sides fanning passions and urging the Russian president to embark on the path of violating the Constitution? For in this way we will soon arrive at the Bolshevist slogan: "If the enemy does not surrender, he is destroyed." This is so tempting—at once to put an end to those who do not share your views. Maybe we will treat Boris Yeltsin's words attentively: We should not surprise the world with scandals at the Congress of People's Deputies and make a political spectacle out of it.

Law's Adoption Leads to 'Constitutional Crisis'

PM1211215192 Moscow ROSSIYSKIYE VESTI in Russian 13 Nov 92 p 1

[Petr Akopov article: "Parliament Adopts Law on Separation of Government From President"]

[Text] Nobody doubted that the Supreme Soviet would reject the majority of the amendments proposed by the president to the Law "On the Council of Ministers." But parliament surpassed itself by rejecting all the amendments submitted by Yeltsin. Henceforth we live in a parliamentary-governmental-presidential republic. This strange hybrid has been formed as a result of the fact that the government, according to the new law, is practically removed from the president's control. Although the law retains the provisions that the president directs the activity of the government, which is accountable to him, the head of state has been stripped of the right to independently form his own team. Henceforth the president will also be stripped of the right to form, reorganize, and eliminate ministries and departments. On the whole, parliament's control over the government's activity has been substantially strengthened by the manifest weakening of the Council of Ministers' link with the head of the executive. At the same time it is not quite clear what parliament wants with such a government, or whether the deputies are aware that they have taken a step toward the emergence in our country of the "Italian government leapfrog" syndrome—which combines poorly with the need to create a strong cabinet capable of implementing tough reforms. It seems that parliament really is more concerned about its struggle with the president than it is about preserving political stability. The situation is complicated by the country's lack of a normal Constitution that really works and is capable of maintaining the balance of the powers. But the old Constitution is still in force, and the new law is even at variance with that. Therefore the president will appeal to the Constitutional Court, seeking to have the Law "On the Council of Ministers" deemed unconstitutional. Regardless of the decision the Constitutional Court reaches, there can be no doubt that President Yeltsin will not sign the Law "On the Council of Ministers" in its present form under any circumstances. Therefore the new law will be simply one more landmark in parliament's struggle with the president. Political tension is increasing daily. The law's adoption will strengthen the split in the corps of deputies. In the opinion of Russian People's Deputy Gleb Yakunin, the Law "On the Council of Ministers" is thoroughly steeped in unconstitutional norms. An active role in this is played by the "Smena-New Policy" group, which said earlier that it is ready for constructive cooperation with the president. By adopting this law the Supreme Soviet is leading consciously toward a constitutional crisis. But the government's supporters remain in a minority in parliament.

Leaders, Democratic Center Discuss Economy, Politics

Gaydar Addresses Meeting

LD1211200792 Moscow Mayak Radio Network in Russian 1630 GMT 12 Nov 92

[Text] Our correspondent Olga Vasilenko has just phoned from the Supreme Soviet. I am awaiting her news. Go ahead, Olga Alekseyevna.

[Vasilenko] Well, you know why I decided to broadcast? Today, the Democratic Center, that is, several factions in parliament, is now holding a meeting for deputies and journalists with Russian Vice President Rutskoy; acting Prime Minister Gaydar; and Chubays, chairman of the State Committee for the Management of State Property. Volskiy, leader of the Civic Union, has also come along.

The aim is to draw up a political platform that the Democratic Center can propose to the president and the government during the Congress, so that the organs of power do not give rise to a skeptical attitude toward them, an attitude that already exists. The task is to seek compromises, and Volskiy's speech—the meeting began with his speech and, as is known, Civic Union has presented its program for the transition to a market economy—and Gaydar's speech showed precisely that both sides are aiming for compromise.

When Volskiy spoke, it was, in general, clear and very noticeable, both from his intonation and from his manner, that he and Gaydar had largely found points of agreement. Volskiy even said: Yegor Timurovich and I have met several times and were very satisfied with one another. Volskiy gave quite a detailed account of his program. He spoke about some things that did not coincide with Gaydar's program. But, when Gaydar spoke, he said: You know, we have modified our program and are constantly modifying it so much that there are extremely few points that do not coincide.

Well, when Yegor Timorovich Gaydar spoke, he indicated precisely what positions he agreed on with the Civic Union's program and what positions he did not agree with.

Let us listen to an excerpt from Gaydar's speech:

[Begin Gaydar recording] First of all, things I can agree with. First and foremost, I must say that the program is obviously considerably less inflationary than many of the previous speeches. In other words, it looks as if the experience of recent months has shown everyone that attempts to solve the problems of decline by pumping lots of money in from the national economy simply leads to sharp price increases as far as the consumer market is concerned but not to any revival of the home industry. This was generally reflected, in much more reserved and careful terms, in the Civic Union's program on this issue.

Second, things I find difficult to agree with. There are some nostalgic thoughts here, although vaguely expressed, hoping for the revival of the State Committee for Material and Technical Supply, if only for some key products. I think that this idea is now unrealistic and dangerous. For better or for worse, a fundamentally different system of economic ties has started to evolve here with great difficulty. It is already based on economic interests. If we were to attempt now to alter it again, if we were to say, here are the orders, here are the allocation plans, here are the obligatory schedules, it would only lead to chaos again. However difficult the directors found it to adapt to this system this year, I can assure you that if you were to suggest to them today that they should radically change their ways once again, I think they would not support this idea. Although, I must say that none of this is present in the program in a clear-cut form.

Third, something I entirely agree with, and I think we have every basis for normal and constructive work here, is the notion that the market economy ought to be managed. I also agree that our main goal today, since we have already embarked on reforms and to some extent altered our realities, is to develop and set up a set of institutions that would allow us to manage the market economy in a normal way, a set of institutions that would allow us to support the home industry, to grant credits for high-tech exports, to ensure that the conversion process is regulated, to support highly effective projects, and to give selective support to the major industries of the national economy. By using the set of levers at our disposal we must help the home economy to readjust and to use the opportunities that the market opens up and must not just sit back and speculate about when the market will sort itself out. I think that we do not have any fundamental disagreements here. [end recording]

[Vasilenko] You know, I want to return to Volskiy's speech. He says—incidentally, he aimed a great deal of criticism at the press—that the press states that there are about 10 alternative programs for the transition to the market. But, there are only two alternatives: whether to switch over to the market, or not. So there is only one government program at the moment. Our program, he says, is not an alternative one. We propose an emergence from the crisis by modifying the government program. I want to draw your attention to that. And both Gaydar and Volskiy asked, and, probably, the next person to speak or who is speaking now—I am about to return to the hall—will probably ask the press—us and all journalists—to be as careful as possible and as accurate as possible when setting out the facts that we perceive at such events.

That's all from me, I think.

Khasbulatov, Rutskoy Urge Civil Accord

LD1211232092 Moscow ITAR-TASS in English 1901 GMT 12 Nov 92

[By ITAR-TASS parliament corespondent Aleksey Tabachnikov]

[Text] Moscow November 12 TASS—It is essential to achieve civil accord and support for reforms—such was the leading idea of remarks by Russian Parliament Speaker Ruslan Khasbulatov and Vice- President Aleksandr Rutskoy at a meeting with representatives of the "Democratic Centre" bloc in the Russian White House on Thursday.

The parliament speaker believes that resistance to reforms still comes from the provinces because "the independence which the subjects of the Federation gained has not been actualised", with the centre continuing to dictate its will to them.

At the same time Khasbulatov said there is no split in society—there is a split only among politicians. Neither is there a serious political force in the country tp come out against the policy of reforms, Khasbulatov believes.

Vice-President Rutskoy reminded the deputies that three reform programmes had already been adopted over the past two years but that, in result, "the government is suggesting a programme for a way out of the crisis". This is so because tactics taking into account the interests of the individual and society have not been determined, he said.

Hopes for a large-scale aid from the West, which is not interested in the "emergence of a strong competitor", are futile, the vice-president believes.

The ongoing export of raw materials from Russia in exchange for consumer goods is conducive to the development of the agriculture and industry of foreign countries, and opportunities to effect a reform through the use of Russia's own resources are being missed.

Speaking about the forthcoming Seventh Congress of People's Deputies in December, Rutskoy voiced apprehensions that the Congress may boil down to the sorting out of relations between the legislative and executive branches of power.

In this connection the vice-president called for giving up demands for the resignation of the government or the dissolution of the Congress and the parliament.

Civic Union's Volskiy Lists Priorities

LD1211233392 Moscow ITAR-TASS in English 1752 GMT 12 Nov 92

[By ITAR-TASS parliamentary correspondent Maria Kuzmenkova]

[Text] Moscow November 12 TASS—Representatives of the Democratic Centre parliamentary groups met with Russian leaders in the parliament house on Thursday [12 November]. Ruslan Khasbulatov, Aleksandr Rutskoy, Yegor Gaydar and Anatoliy Chubays participated.

Speaking at the meeting, Arkadiy Volskiy, leader of the Civic Union, dwelt on main differences with the government. He declared in favour of the state regulation of the economy in the period of the transition to the market and favoured thorough study of the Chinese experience. Volskiy believed that the priorities should include the production of foodstuffs and medicines, the development of transport, communications and the infrastructure, and the adoption of a military doctrine and a law on defence, on whose basis military production facilities should be converted to civilian uses.

Speaking in answer, acting chief of the government Yegor Gaydar said he was being unjustifiably reproached for tough methods of making the reforms if only for the reason that "there have been no mass bankruptcies in the past ten months". He believed that in other aspects there were no substantial differences between the attitudes of the government and the Civic Union. He confirmed the need to create a mechanism of regulation and noted with satisfaction that the Volskiy programme "has become less inflationary". Gaydar, too, supported the idea of studying the Chinese experience, but warned against its uncritical copying.

Says Program To Correct Government Plan

OW1211193992 Moscow INTERFAX in English 1916 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] The anti-crisis program of the "Civic Union" is not an alternative to the government one and it is aimed at healing the Russian economy by means of corrections to the Cabinet's program, the President of the Russian Union of Industrialists and Businessmen Arkadiy Volskiy said in Moscow on Thursday [12 November]. He was speaking at a meeting with people's deputies affiliated to the "Democratic Center" bloc.

Volskiy said that the main difference between the Civic Union and the government was confined to the demand for government control of the transition to a market economy. "We are divided on that issue, but I believe that we will be able to find areas of agreement to evolve a joint program of transition to a market economy", Volskiy said.

Volskiy said that the Civic Union and the government had already began to find such areas of agreement. He said he was satisfied with the results of his latest meetings with acting Prime Minister Yegor Gaydar. "If everything is evaluated, a joint solution with the government can be found that will stop the industrial recession", Volskiy said.

Democratic Russia Seeks Referendum on Congress Dissolution

LD1311064792 Moscow ITAR-TASS in English 0638 GMT 13 Nov 92

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow November 13 TASS—The "Democratic Russia" movement decided to start gathering signatures in favour of a referendum which might dissolve the Congress of Russian People's Deputies. One million signatures are necessary for that.

The main question planned to be asked at the referendum is whether the Russians should have the right to decide by a general vote about the dissolution of the congress.

The wording was caused by a recent resolution of the parliament which bans suspension of activity of elected bodies of power.

The Congress of Russian People's Deputies, according to many observers, is an outdated structure of the totalitarian past and acts as the second, but more powerful parliament in the country. Two parliaments are too many for Russia, according to observers.

The "Democratic Russia" movement is rather experienced in collecting signatures for holding referenda. Thus, more than the necessary one million signatures have already been collected in favour of a referendum on private property on land. The deadline for handing in the signatures to authorities is November 18.

Opposition Says Dissolution of Legislature Planned

LD1311102692 Moscow ITAR-TASS in English 1142 GMT 12 Nov 92

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow November 12 TASS—Leaders of the opposition bloc Rosiiskoye Yedinstvo (Russian Unity) called for "curbing those who are preparing the imposition of a state of emergency in the country."

At a press conference today, they said persons from Boris Yeltsin's entourage are developing plans to dissolve the Congress of Russian People's Deputies and the Supreme Soviet. Gennadiy Zyuganov, head of the National Salvation Front's organising committee which was banned by the Russian president's decree recently, imputes this plan to state secretary Gennadiy Burbulis, acting prime minister Yegor Gaydar and also ministers Andrey Kozyrev, Anatoliy Chubays and Mikhail Poltoranin.

Deputy Mikhail Astafyev emphasised that the Russian Constitution does not envisage a direct executive presidency and a state of emergency on the country's territory can be declared only with the Supreme Soviet's consent. In his view, an attitude to parliament as a brake on reforms is being shaped in the Russian society artificially for the purpose of dissolving the legislature.

'Free Russia' Warns of 'Unconstitutional Measures'

MK1211142592 Moscow NEZAVISIMAYA GAZETA in Russian 12 Nov 92 p 2

[Yevgeniy Krasnikov report: "'Civic Union' Ready To Defend Constitution. 'Free Russia' Party Board Plenum"]

[Text] A plenum of the "Free Russia" People's Party [FRPP] was held on the evening of 10 November. A report on the preparations for the forthcoming Seventh Congress of Russian Deputies was delivered by Irina Vinogradova, leader of the "Free Russia" parliamentary faction. Together with two other factions—"Left Center" and "Nonparty Deputies"—it forms the "Democratic Center" bloc, which is, as it were, the "parliamentary lobby" of "Civic Union."

The forces of the "centrists" in parliament are increasing. Vinogradova reported that the "Sovereignty and Equality" faction, which unites deputies from the Russian republics and autonomous areas, joined the "Democratic Center" 10 November. Thus, at the forthcoming Congress "Democratic Center" will unite almost 250 deputies.

Another subject discussed at the plenum was the result of the recent talks between "Civic Union" leaders and the Russian president. Information on this subject was provided by a participant in the talks—Vasiliy Lipitskiy, chairman of the FRPP Board. According to Lipitskiy, there were no lists of desirable or undesirable political figures for "Civic Union," just "bilateral talks during which certain names were mentioned."

The FRPP Board supported the recent "Civic Union" statement on the threat to the constitutional system in Russia. The party leadership adopted a decision "to make efforts to reach a political compromise and at the same time to take a tough stance that would be an obstacle to the implementation of unconstitutional plans."

In Lipitskiy's opinion, "people are now trying to prepare society for unconstitutional measures. Proof of that are the recent statements from the leaders of the Russian Movement for Democratic Reforms and the many telegrams calling for the imposition of presidential rule which regional departments of 'Democratic Russia' are sending to the Kremlin on the orders of their Moscow leadership."

Calls for the imposition of presidential rule in the country and the dissolution of the entire legislature (or at least the Congress) may also be voiced at the meeting between the heads of Russian administrations and Boris Yeltsin scheduled for 17 November.

"Civic Union" will determine its tactics for the coming Congress at a 25 November enlarged session of its political and consultative council. But, as one of the members of the "Civic Union" leadership has already remarked: "If there are no major changes to the government before the Congress, then it will have to resign there en bloc."

Salvation Front Sees 'Romanian Scenario' Developing

MK1311123392 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 13 Nov 92 p 1

[Yuliya Khaytina report: "Patriots Grasp the Crux of the Matter. Opposition Exposes Second State Committee for the State of Emergency"]

[Text] Gennadiy Zyuganov, who is evidently extremely well-informed, yesterday named the five most inveterate members of the second State Committee for the State of Emergency without a shadow of a doubt: They are Gennadiy Burbulis, Yegor Gaydar, Andrey Kozyrev, Anatoliy Chubays, and Mikhail Poltoranin. That illegal individual, the state secretary, is formulating the appropriate, perfidious plans, which it turns out are already on the desks of leaders of strong-arm structures; he is issuing their commanders with instructions, and so on and so forth.

Admittedly, Gennadiy Zyuganov did not expand on the source of his information, remarking that he draws his conclusions on the basis of the aforementioned persons' attitude to the Russian Constitution and international law as manifested in their subversive statements.

Zyuganov's National Salvation Front [NSF] colleague, Mikhail Astafyev, complained that Russia has no law on sedition. The elements of one have been formulated, and Astafyev hopes this parliamentary session will examine them. As he put it, our Constitution does not involve the concept of presidential rule. If the executive is talking about it, that means...—draw the appropriate conclusions for yourself. As for the imposition of a state of emergency, that kind of edict has to be approved within 24 hours or abrogated by the Supreme Soviet. In the opposition's opinion, the first scenario is to all intents and purposes unrealistic.

Therefore Yeltsin will have to use force, close the White House, and so on. ("I think that is the reason why the White House guard was replaced," Mikhail Astafyev remarked). But then the opposition and the people will take to Free Russia Square. "We are quietly embarking on the Romanian scenario," Mikhail Astafyev summed up sadly.

The voice of the opposition, in the latter's opinion, is so unwelcome to the authorities that NSF representatives have been banned from access to television and Isakov, Konstantinov, Pavlov, Slobodkin, and Baburin have received a letter threatening them with physical violence. The patriots have their suspicions as to who the real author of this message is, hinting extremely transparently at the incumbent executive.

They patriots say that sensible members of the public are wrong not to take their forecasts seriously. They will live to regret it [doprygayetsya]...

Lipitskiy Says Yeltsin Not To Meet With Civic Union

MK1211150592 Moscow KOMMERSANT-DAILY in Russian 12 Nov 92 p 8

[Yevgeniy Yanayev report: "'Civic Union' Press Conference: Centrists Warn President"]

[Text] Vasiliy Lipitskiy, one of the leaders of Civic Union, chairman of the Free Russia People's Party Board, held a press conference yesterday. According to Lipitskiy, "public opinion is currently being deliberately readied for the introduction of emergency measures in the country."

The recent statement from the Civic Union Political Council "On the Threat to the Constitutional System in Russia" and Lipitskiy's press conference are the first evidence of the Russian centrists' disappointment with the results of their recent talks with the president.

At first Civic Union leaders voiced a high opinion of this meeting, thinking that "a real opportunity for compromise had been secured." Yeltsin's later statement about "Civic Union's tremendous cadre appetites" came as an unwelcome surprise to the centrists. "This seems to mean that a confrontational path for the development of events has been chosen," Lipitskiy said at the press conference.

He thinks that it was agreed at the meeting with Yeltsin that the Russian president would meet on the eve of the Congress with parliamentary factions whose position is close to that of Civic Union. However, Lipitskiy said, it has now been learned that there are no longer plans for these talks to go ahead. Instead Yeltsin has scheduled a meeting with the heads of local administrations at which there will obviously once again be calls for the imposition of presidential rule in the country. In Lipitskiy's opinion, this stance on the part of the administration heads is attributable to the desire of most of them to extend the current election moratorium, which expires 1 December.

Civic Union leaders, however, think that not only will presidential rule not help Russia to escape from the economic crisis, but will further exacerbate the political crisis. "In that case Tatarstan, Bashkortostan, and certain regions in the Caucasus and Russia will receive a fresh boost for their separatist sentiments," Lipitskiy thinks.

The centrists' leader said that at the talks, Civic Union representatives asked Yeltsin to respond from 10 to 14 days before the Congress begins to their proposals for the membership of the government and the government program to be amended. Thus it will become quite clear over the next few days how relations are developing between Civic Union and the Russian president. Presumably if Yeltsin does not submit any new initiatives, the centrists will start to formulate a new, tougher political stance toward the president and the government.

Presidential Delegate on Board of Federal Bodies

LD1211043192 Moscow ITAR-TASS in English 1818 GMT 11 Nov 92

[By ITAR-TASS correspondent Lyudmila Fomicheva]

[Text] St. Petersburg November 11 TASS—"The executive power's board of federal bodies is not a new organ of power, but a coordination centre capable of resolving many questions more swiftly," Sergey Tsyplyayev, the Russian president's representative in St. Petersburg and the Leningrad region, said today at a news conference.

According to him, the board, during its first session today, confirmed the statute, which defines its activities and working procedure.

The board has to analyse the economic, political, ecological and social situation in the region, work out proposals and recommendations for the organs of power, analyse the pace of implementing federal laws, decrees and orders issued by the president and the government in the provinces.

Conflicts in Chechnya, Ingushetiya, N. Ossetia

Chechen Head Asks Clinton To Stop 'Aggression'

OW1111142792 Moscow INTERFAX in English 1417 GMT 11 Nov 92

[Following item transmitted via KYODO]

[Text] Dzhokhar Dudayev, the Chechen leader, appealed to Bill Clinton, the recently elected US President, to use his influences [as received] the leader of the great power to prevent the Russian aggression against the Chechen people and a new Caucasian war. The world will appreciate your actions at this hard moment, the document sent to Washington cites.

Urges Citizens To Expel Troops

LD1211190192 Moscow ITAR-TASS in English 1844 GMT 12 Nov 92

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy November 12 TASS—President Dzhokhar Dudayev of Chechnya sharply criticized the Russian leadership during his appearance on local television in Groznyy today. He described the suspension of the withdrawal of Russian troops from the region as "faith-breaking" and called on Chechen citizens "to drive the Russian troops by force beyond the republic's boundaries".

Chechen parliament speaker Husain Akhmadov also appeared on local television after Dudayev. He said there can be no military solution to the conflict between Chechnya and Russia. He said Chechnya has appealed to the world community to help in any possible way solve the problem "created by Russia's aggression against the sovereign Chechen state" by peaceful means.

Offers Talks, Sends Moscow Draft Treaty

PM1311133192 Moscow ROSSIYSKIYE VESTI in Russian 13 Nov 92 p 1

[Unattributed report: "Will the Draft Treaty Be Examined?"]

[Text] Chechnya—ROSSIYSKIYE VESTI's editorial office has learned that Chechen President Dzhokhar Dudayev, despite his belligerent statements, is trying to play a political game, skillfully using diplomatic channels. In particular, he has sent a draft treaty between Chechnya and Russia to the Kremlin expressing the desire of this republic's leadership to hold dialogue with Moscow even on a federation basis.

The respectful tone of the document, which arrived at the Kremlin from Groznyy, proves that leaders of the Chechen Republic, weapons firmly grasped, are nevertheless inclined toward economic methods of settling the complex Russian-Chechen relations.

Groznyy Claims Russian Units Reinforced

OW1211173292 Moscow INTERFAX in English 1713 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] Movladi Udugov [name as received], the Chechen press and information minister, accused Russia of a crude violation of provisions contained in the agreement reached in Nazran on Wednesday concerning the withdrawal of the Russian forces from the Chechen border to the depth of Ingushetiya.

On Thursday Moscow announced about suspension of forces withdrawal to the depth of Ingushetiya. In his interview with Interfax on Thursday the Chechen minister reported that a reverse process was taking place—the armored grouping deployed near the Chechen borders had been reinforced by military helicopters. According to Udugov, the concentration of the Chechen forces on the border is incompetent because more than 150 armored vehicles of the Russian forces oppose to 5-7 Chechen armored units.

Groznyy, Udugov said, assesses the agreement, confirmed by Yegor Gaydar and not fulfilled until now, on the withdrawal of the Russian forces to the depth of Ingushetiya as "an attempt to delay the time for a decisive attack against Chechnya." Udulov reminded that military home guard was intensively being trained in Chechnya, the republic's armed forces are in a high state of alert.

[Moscow INTERFAX in English at 1714 GMT on 12 November, in a KYODO-transmitted item, adds: "On Thursday the Russian Army has additionally introduced three multiple rocket launcher systems and 60 armored units to Ingushetiya, reported informed sources in Nazran.

["Meanwhile Musa Tsechoev, the Ingushetiya's military commandant, declared to Interfax on Thursday that they managed to prevent clashes between the detachments of the Russian Army introduced to the Ingush territory thanks to the explanatory work conducted by the military and civil administrations, and the Elders of Ingushetiya."]

Chechens Protest Russian Troop Deployment

LD1311021492 Moscow Radio Rossii Network in Russian 2200 GMT 12 Nov 92

[Text] On 12 November, spontaneous protest meeting against the deployment of Russian troops on Chechen soil were held in Groznyy and other population centers in Chechnya. The demonstrators voiced their support for the government of Dzhokhar Dudayev and declared that they are prepared to take up arms to defend Chechnya's independence and sovereignty.

'Heavily Armed' Chechen Units Advance

LD1311130792 Moscow ITAR-TASS in English 1201 GMT 13 Nov 92

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow November 13 TASS—Heavily armed Chechen military units advanced early on Friday [13 November] to the positions of Russian paratroopers 12 kilometres away from Nazran, the capital of Ingushetiya, according to the Russian Defence Ministry, which added that Chechens are armed with several latest T-72 tanks and armoured personnel carriers.

Chechen militants were also reported manoeuvring in the Tarsk ravine in Sunjen and Malgobek regions of Ingushetia, which Chechnya claims to be its native lands.

No hostages were exchanged on Friday as Ingushes requested a mutual check of places where the hostages are kept, according to the Russian State Committee on Emergencies.

The last 1,500 Ingush refugees were taken home from the Russian military unit in the settlement of "Sputnik". 830 Ossetian refugees arrived in Vladikavkaz.

Russian doctors checked 302 sick people among the refugees and denied rumours that cholera was registered in Ingushetia.

31 people and 9 vehicles were detained in North Ossetia for violating the curfew.

Ingushes Accuse Russia of Betrayal

OW1311003392 Moscow INTERFAX in English 1401 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] Addressing a press conference on Thursday [12 November] in Moscow, the representatives of Ingushes accused the Russian authorities of the betrayal the interests of the Ingush people.

Salman Mutaliyev, one of the leaders of the movement for the revival of the Ingush republic, declared, in particular, that North Ossetia had unleashed genocide and was pursuing it at first "under the connivance of the Russian Government," and at the last stage "under direct participation of the Russian Interior forces." The Russian's current policy in the Caucasus has no prospects, Mutaliyev believes, because the actions undertaken by Russian Federation in Ingushetiya "will strengthen the separatist tendencies in the region."

Akhmed-Khadzhi Poshev, the spiritual leader of the Ingush Moslems, expressed his opinion that the introduction of the Russian forces to Ingushetiya in accordance with President Yeltsin's decree had been planned so as to instigate Groznyy's involvement in the conflict and then to make a strike against Chechnya. He also accused the forces and the Russian president of the betrayal the Ingush people.

According to preliminary data of the Ingush information center, the sum of damage inflicted to the Ingush population of the Prigorodnyy region of North Ossetia exceeds 200 billion rubles.

Ingushetiya Releases 'All' Russian Hostages

LD1211230592 Moscow Russian Television Network in Russian 2000 GMT 12 Nov 92

[From the "Vesti" newscast]

[Text] The Ingush side has freed all its Russian hostages. According to military intelligence, some Ingush armed formations have retreated into surrounding woods and into the Jeirakh gorge. Ossetians are claiming that an Ingush headquarters is operating in Jeirakh. According to other reports, 30,000 refugees have left for the gorge, that is, approximately half of the Ingush population of Ossetia. Sergey Shakhray left for the area from Moscow today. He has been appointed head of the interim administration on the territory of North Ossetia and Ingushetiya.

N. Ossetian Security Council Meets

LD1311141992 Moscow ITAR-TASS in English 1004 GMT 13 Nov 92

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz November 13 TASS—A session of the North Ossetian Security Council discussed today the problems dealing with the putting into effect of a state of emergency regime and a curfew on the territory of the republic, as well as the exchange of hostages by the two sides. The session was attended by head of the provisional administration in North Ossetia and Ingushetiya Sergey Shakharay.

According to the press centre of the provisional administration, the situation in the Prigorodnyy district and the city of Vladikavkaz continues to be complicated, because isolated armed groups and sharpshooters continually penetrate the conflict zone from Ingushetiya. One person was killed in night shooting. A total of 256 people, including 11 servicemen, were killed or died of bullet wounds in the state of emergency zone.

On the whole, the situation in North Ossetia is fully under the control of the task force, the Interior Ministry forces, the Republican Guard units, people's militia and Terek cossacks. Mobile task groups stop sallies of looters.

The North Ossetian public prosecutor's office instituted proceedings on some 20 cases of murder and bandit attacks.

Troops in Control in N. Ossetia, Ingushetiya

LD1311120392 Moscow ITAR-TASS in English 1144 GMT 13 Nov 92

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz November 13 TASS—"The situation on the territory of North Ossetia and Ingushetiya is controlled by detachments of the Russian task force," ITAR-TASS was told by head of the provisional administration Sergey Shakhray, who is staying in Vladikavkaz for the second day now.

Two operational headquarters—in Vladikavkaz and Nazran—have been set up. They will coordinate their efforts. The main task now is to clear local towns and villages of illegal armed groups, to confiscate weapons from the population, and to complete the exchange of hostages. "Russian troops were moved into North Ossetia and Ingushetiya to stop the fratricidal war, to disengage the belligerents, to cut short the attacks of militants," Shakhray said.

The head of the provisional administration visited Nazran today to meet Ingush leaders.

Khizha on North Ossetia, Need for Consensus

LD1311144792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1200 GMT 13 Nov 92

[Interview with Russian Deputy Prime Minister Georgiy Khizha by announcer Medvedyev; place and date not given—recorded; from the "Novosti" newscast]

[Text] We have asked Russian Deputy Prime Minister Georgiy Khizha to comment on the situation that has arisen in the Northern Caucasus. He has been replaced in North Ossetia by Sergey Shakhray, which is only natural since the latter has been entrusted with the policy on nationalities.

[Medvedyev] The withdrawal of troops from the border between Chechnya and Ingushetia has now been suspended.

[Khizha] No border has been defined between Chechnya or any other neighbor of Ossetia. As a result, a degree of dissension arose yesterday.

[Medvedyev] Leading to tension?

[Khizha] That's right. I think, however, that we should just stop bothering about the borders. I have already said this many times. Reviewing and fixing borders, particularly in this kind of situation, is quite hopeless. People are worked up, passions are inflamed, so deliberating on borders is madness right now. We need to quell the conflict, calm the passions, get people to the negotiating table, and organize the usual processes. We need to give the Ingush the chance to return home and calm down, then we can lick the wounds these peoples have inflicted on one another.

[Medvedyev] Could this conflict in the Northern Caucasus have an influence on the course of the Congress?

[Khizha] On the contrary, many people are stirring up passions—fanning passions, as it were—and frightening the government and themselves. So naturally, the situation in the Northern Caucasus only plays into the hands of such people.

[Medvedyev] Could this conflict provide an excuse, in your opinion, for introducing a state of emergency? In [word indistinct] Russia, I mean?

[Khizha] I hope that will not happen, because neither the government, nor Russia, nor the people can expect anything good to come of that.

[Medvedyev] Is a change of cabinet possible? This is something a lot of people are talking about. Is it a change of tack?

[Khizha] The point is this: I very much dislike the fact that people are once again trying to tie reform, economic reform—indeed, Russia's entire economic development—to dogmatic ideas. People have interests, different groups have different interests, and if these are not taken into account there will not be any reform. By the time the Congress takes place, the optimum versions have to be found that will ensure the possibility of consensus. And consensus is absolutely vital today, in the government, in parliament, and in the political forces, between the association of industrial enterprises and the trade unions, in order to get out of the situation. Of this I have not a shadow of a doubt.

[Medvedyev] You say they have to be found. So they haven't been found yet.

[Khizha] Not yet, no.

Gaydar, Grachev Cited on Conflict

PM1211154192 Moscow ROSSIYSKIYE VESTI in Russian 12 Nov 92 p 1

[Report prepared by Sergey Ovsiyenko: "Army in Hotbed of Conflict"]

[Excerpt] Whereas we used to receive reports of hostilities in areas of interethnic conflicts from outside Russia, now they come from North Ossetia and Ingushetiya. War mixed with ethnic feuding and the recarving of territorial borders has become a reality for Russia. What role does the Army play in eliminating the conflict? How are its actions rated?

Yegor Gaydar, acting chairman of the Russian Federation Government:

"Assessing the role of the Russian Army in resolving the conflict, I will say that the Army has fulfilled its duty. The search for a political solution will be long and hard. I hope that it will no longer be bloody. Responsibility for what has happened here today lies primarily with the politicians, who, playing on people's base feelings, have drawn their own peoples into a most cruel and bloody conflict."

Army General Pavel Grachev, Russian defense minister:

"It was necessary for peace-making purposes to send the troops into those population centers where the need for this had arisen. Internal troops have neutralized the intransigents there, so that they cannot repeat the tragedy of 31 October. This is the territory of the Russian state, and the troops have arrived in Vladikavkaz to efficiently fulfill the Russian president's edict. They are faced with tasks of blocking both sides' nationalist gangs and disarming them."

Major General Anatoliy Chaykovskiy, chief of a directorate of the Main Directorate of the commander of internal troops of the Russian Federation Ministry of Internal Affairs:

"The scenario of the conflict in North Ossetia and Ingushetiya is in many respects, even if not all respects, similar to the Karabakh conflict. There are no real differences between the actions of the internal troops there and here. The chief thing is to prevent bloodshed and stabilize the situation in the region. The lack of power structures in Ingushetiya will hamper the restoration of legality and order.

"I will not be afraid to say that the fate of Russia in many ways depends on the resolution of this conflict, and its peoples will judge the power's ability to defend their rights, lives, peace...

"The power must use its power." [passage omitted]

Kotenkov Named Deputy Interim Head

LD1211155292 Moscow ITAR-TASS in English 1352 GMT 12 Nov 92

[By ITAR-TASS correspondent]

[Text] Moscow November 12 TASS—Russian President Boris Yeltsin signed a decree Wednesday [11 November] appointing Russian Vice-Premier Sergey Shakhray head of the provisional administration on the territories of the North Ossetian and Ingush republics. Aleksandr Kotenkov, head of the presidential legal department, was appointed assistant head of the provisional administration.

Yeltsin also approved the status of this administration, which will remain in force until the end of the state of emergency. The document, received today by ITAR-TASS together with decrees issued by the provisional administration, vests the latter with the right to direct the activities of all state enterprises, institutions and organisations in order to ensure normal life in populated localities; to ensure the supply of the population with food and other prime necessities; to take every necessary measure to accommodate and protect citizens, forced to abandon their permanent place of residence.

The head of the provisional administration has also received several coordinating rights not only in the state of emergency area, but also in Kabardino-Balkaria, Karachayevo-Cherkessia, Adygeya, Krasnodar and Stavropol territories, and Rostov region.

Procuracy General Investigates Conflict

LD1211221392 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 12 Nov 92

[Report by correspondent G. Solomatin; from the "Novosti" newscast]

[Text] From the very beginning, the conflict in North Ossetia and Ingushetiya has been under the close attention of the Procuracy General of Russia. All measures are being taken to establish the causes of the conflict and people involved in order to restore the rule of law in this region. From the very beginning, the investigation work there has been carried out by the procuracy officials, investigation officers from North Ossetia and Ingushetiya, and all the staff of the Vladikavkaz Garrison Military Procuracy. Thirty qualified investigators from the Procuracy General with good experience in criminal investigation work in such hot spots as Sumgait, Fergana, and Osh arrived in the area of the conflict yesterday. Already, 150 investigators are working there now. The work of the entire group of investigators is being led by Deputy Procurator General Yevgeniy Lisov. By 11 November, the Procuracy had instituted criminal proceedings in 40 cases involving murder, disturbances, assaults on servicemen, arson, and other serious crimes.

[Correspondent Stepankov] The Supreme Soviet has instructed the Procurator General to investigate the causes and conditions that led to this bloodshed. In general, the chief causes of and conditions leading to the conflict were acts of provocation committed on the territory of Ingushetiya.

[Solomatin] Tomorrow, an investigation team is departing for the area of conflict in North Ossetia and Ingushetiya in a railway car specially equipped to carry out criminal investigations in the field. The group includes forensic scientists, criminologists, and other experts. Russia's procurator general will go there next week.

Circumstances of Internal Troops Chief's Resignation Eyed

PM1211223792 Moscow ROSSIYSKIYE VESTI in Russian 13 Nov 92 p 1

[Viktor Romanchin report: "Will General's Resignation Be Accepted?"]

[Text] As is already known, Colonel General Vasiliy Savvin, commander of internal troops of the Russian MVD [Ministry of Internal Affairs], tendered his resignation to the Russian Federation minister of internal affairs right after returning from the North Ossetia state of emergency zone. Such an unexpected decision adopted by a prominent military chief at the very height of the Ossetian-Ingush conflict provides much food for thought.

The situation in the region remains tense. The presence of Russian troops called upon to fulfill a peacemaking mission is increasingly frequently irritating the opposing sides, whose armed detachments are continuing the struggle. The troops are frequently unable to counter the anarchy: There is no order to intervene. There are data indicating that many officers are ready to abandon this service so as not to discredit their name. Did such sentiments affect the commander's decision, or were finer strings of the political game touched here? This is not yet known. Vasiliy Savvin categorically refuses to comment on his decision, still less to meet with representatives of the press, citing the fact that he set forth the reasons for his discharge in his report.

It seems that no one at the Russian MVD apart from Minister V. Yerin has yet seen this report, because people there were unable to tell us the reason for the resignation of the internal troops commander or the motives behind his action. Although it is known from reliable sources that Savvin's resignation is directly linked with the Ossetian-Ingush conflict, which Russian internal troops are involved in localizing.

It has been learned that in connection with the situation that has come about Internal Affairs Minister Yerin urgently held a conference with command personnel of the internal troops. Major General A. Chaykovskiy, chief of the Directorate for Work with Personnel, who was present at the conference, refused to elaborate on just what was discussed. At the same time he did say that the commander, who has not had a break for a total of 140 days, is now on vacation. His duties are being fulfilled by Lieutenant General V. Ponomarev. He has not seen the commander's report either, but the question of his resignation will be decided literally within days. The president will make this decision based on a recommendation from the Russian internal affairs minister.

Economic Issues

Shokhin Says Country 'at Critical Point'

LD1311101592 Moscow Radio Rossii Network in Russian 1900 GMT 12 Nov 92

[Text] Assessing the economic policy of the current cabinet, Deputy Prime Minister Aleksandr Shokhin has said that the present government has led the country out of the deadlock of irresolute steps, and that is its main achievement. The country is now, however, at a critical point, as it could, in the space of a month or two, be turned back to an administrative command system through price and wage freezes and through state orders. In this connection the deputy prime minister noted that one of the government's main tasks at the present stage is the selective support of industries and enterprises.

Cabinet Prepares Economic Recovery Program

OW1311062192 Moscow INTERFAX in English 1819 GMT 12 Nov 92

[From the "INTERFAX Business Report"—following item transmitted via KYODO]

[Text] The Russian Government has prepared a program of urgent measures for economic recovery. The program includes measures to support Russian industry which envisage: assistance in re-establishing or forming economic ties, including between CIS nations, financial support for firms in trouble, investment incentives through federal programs to develop priority industries and products, tax breaks and low interest loans.

FUEL AND ENERGY COMPLEX - EQUIPMENT IMPORTS TO BE INCREASED

The government considers providing industry and individuals with fuel and energy resources its main task at present. However, the authors of the program point to difficulties in this area since the production of these resources continues to fall in Russia. During the first ten months of 1992, as compared with the period January to September 1991, oil production fell by 55 mn [million] tons (14%), coal production was down by 13 mn tons (4.5%), and natural gas production was off 3.4 bn [billion] cubic meters (0.6%).

The government program also said that the following measures must be employed in order to slow the drop in production of oil, gas, and coal, and stabilize the supply of energy resource to industry and the population:

- restore idle wells, in part by attracting foreign firms ("INTERFAX" information shows that there are nearly 27 thousand wells standing idle in Russia), increase the import of equipment, stop the dissolution of drilling teams, open new fields

- put new production facilities into operation at gas fields and main pipelines, open new compressor units at gas storage facilities in southern Russia and the North Caucuses, hook nearly 130 new wells into the gas collecting main

- grant credits to the fuel and energy complex to increase current assets ("INTERFAX" learned that the Ministry of Finance will grant the fuel and energy complex more than 200 bn rubles by the end of the year).

RUSSIA CONTINUES RESTRUCTURING PRINCIPLE INDUSTRIES

The Russian Government plans to stabilize a number of areas in 1993.

In particular, Russia will introduce new facilities in 1993 to extract 950 thousand tons of lead and zinc ores, 450 thousand tons of copper, and 300 thousand tons of nickel in Bashkortostan, Buryatia, Kabardino-Balkaria, and several regions in Siberia, the Urals, and the Far East for non-ferrous metallurgy plants.

Ferrous metallurgy production potential will be maintained at present levels in 1993 since $1.6 bn in revenues from metal exports in 1992 will be used to purchase raw product, equipment, and materials.

The government will also grant the chemical industry a credit to fatten up current assets, and investment credits will be directed to construction in the industry. In 1993 the industry will add on facilities to produce 150 thousand tons of acetic acid, 130 thousand tons of sodium hydroxide and other products. Federal programs have been developed to steady the chemical, medicine, and microbiological industries.

Ten target programs have been created for the machine building industry, which fall under the federal program to restructure the economy; the programs envisage the development of satellite industries which produce equipment for the agro-industrial complex, transportation and construction. The government will also introduce tax breaks for the industry and control profitability levels.

The development of a raw materials base and structural changes in light industry will cut cotton imports by 40%, wool by 50%, and eliminate rawhide imports altogether. The construction of over 100 textile and light industry installations will continue in 1993; 63 such installations, producing 15.7 mn pairs of shoes, 186 mn square meters of fabric, 6.6 thousand tons of yarn, and other products will be put into operation. The authors of the program believe these measures will stabilize production by the end of the year.

CONVERSION ENTERPRISES TO RECEIVE LOW INTEREST LOANS

The government program includes several measures aimed at helping the conversion program begun in 1992 to progress. Conversion enterprises will be granted a 250 bn ruble low interest credit, and 94 bn rubles in budget allocations to reprofile defense firms.

This will save 80% of the former defense industry jobs and increase production of civilian product by 160 bn rubles.

The government asked parliament to instruct the Central Bank to grant a 30 bn ruble low interest credit in 1992 to write off the unused remains of product and material valuables and incomplete product which has accumulated as a result of conversion.

INVESTORS IN AGRICULTURAL COMPLEX RECEIVE TAX BREAKS

An important element of the government anti-crisis program is government support for the livestock industry; more specifically, the government will subsidize consumers of livestock product, import grain during feed shortages, and subsidize producers of protein feed supplements.

The government will develop a mechanism to form a guaranteed minimum purchase price for producers of livestock product and to eliminate the monopoly held by processing firms; the government will also encourage producers to set up their own processing plants and participate in the privatization of existing plants.

To combat the underdeveloped market infrastructure the government will encourage private domestic and foreign investment in the agricultural complex, providing incentives through tax breaks and guarantees on investments.

By the beginning of next year the government will pass a resolution outlining the principles of relations between the government and agricultural producers in 1993 as pertains to purchases, support efforts, and price distribution.

Chubays Reaffirms Government Commitment to Principles

PM1311104992 Moscow ROSSIYSKAYA GAZETA in Russian 12 Nov 92 First Edition p 1

[Unattributed report under the "Yesterday, Today, Tomorrow" rubric: "True to Principles"]

[Text] "The Russian Government, headed by Yegor Gaydar, will never abandon the three principles of its policy: the continued financial recovery of the country's economy, the privatization of state property, and the implementation of a consistent program aimed at opening up the Russian economy to the world."

This statement was made by Anatoliy Chubays, Russian deputy prime minister and chairman of the State Committee for Property, at yesterday's opening of "Business in Russia," an international practical conference.

Sees Hyperinflation Unless Policy Changed

PM1311102792 Moscow IZVESTIYA in Russian 12 Nov 92 Morning Edition p 1

[ITAR-TASS report: "Anatoliy Chubays on Inflation"]

[Text] "We cannot say that our economy is currently suffering from hyperinflation,"—this is the opinion of Anatoliy Chubays, Russian deputy prime minister and chairman of the State Committee for the Management of State Property. However, he said, unless the financial policy in the country is changed abruptly in the near future, "this threat will become a reality." Right now inflation stands at 25-27 percent per month.

Nechayev on Factors Aiding Management of Economy

PM1311111992 Moscow ROSSIYSKIYE VESTI in Russian 11 Nov 92 p 4

["Opinion of Russian Economy Minister Andrey Nechayev: "The State Is an Agent With Equal Rights on the Market. Andrey Nechayev Considers that Emphasis Should Be Put on Economic Levers"—ROSSIYSKIYE VESTI headline]

[Text] If we are to talk about the means of managing the economy I would divide this up into parts. The organizational structures are reflected in the president's recent Edict on Reorganizing the Structure of Government. You might dispute this, as some people are doing, but it was an attempt to introduce a two-tiered system of management consisting of a limited group of central ministries and a wider group of committees on individual problems whose leaders are not members of the government.

At the same time many interim organizations on the pattern of the Industry Ministry's departments, which attempted to fulfill the functions of the former sector ministries without possessing the necessary means to do so, have been abolished.

If we are to talk in more specific terms about measures of influence and regulators, they are well-known from practice around the world: taxes and the regulation of foreign economic activity. For example, if we take the raw materials industry: Lowering the export tariff by several percent here is comparable to erstwhile volumes of centralized capital investment. This is now becoming a very powerful lever.

If we are to talk about investments, we have preferential investment credits as an alternative to centralized state capital investments.

Finally, there is the system of state purchases which we have now radically altered. With the exception of defense orders they are not now mandatory. The state is now acting on the market as an agent with equal rights, but as there is a guaranteed sale with predetermined volumes, generally speaking this is profitable for the producers, at least in a normal situation.

We do not rule out methods associated with budgetary funds, subsidies, and centralized investments. But in the program for structurally rebuilding the Russian economy in the medium term, which the ministry has now formulated, the main emphasis, of course, has also to be laid specifically on economic levers—which we have attempted to do.

I value greatly our Economy Ministry's relations with the League of Defense Enterprises, the League of Industrialists and Commodity Producers, and the Association of Exchanges which was recently formed. They are better able to keep their fingers on the pulse of actual production, of the actual market, and frequently bring problems to us whose acuity for some reason or other we feel to a lesser degree. We fairly often hold joint discussions, "brainstorming sessions," usually on some specific issues. Decisions often come about this way. The only thing which we would like to avoid is for these relations to become a form of lobbying on specific problems and on behalf of specific enterprises. For the moment it seems to me that there is balance. I do not feel any excessive pressure on their part with regard to solving specific problems. It is rather the other way around, you feel this pressure from some Supreme Soviet structures rather than from the industrialists proper.

Says Government To Stimulate Investment

OW1311132192 Moscow INTERFAX in English 1857 GMT 12 Nov 92

[From the 13 November "Trade & Investment" feature—following item transmitted via KYODO]

[Text] The Russian Government sees encouraging investment activity in the country as a critical element of economic restructuring and budgetary policies in 1993. These are the words of Russia's Economics Minister Andrey Nechayev, who is to deliver a report on this question at one of the next government meetings. He said investments will amount to approximately Rb4-4.5 trillion next year, most of which will be made by the state.

Preliminary data indicate that government investments will amount to about Rb1.3 trillion next year, of which some Rb930bn [billion] will be allocated in the federal budget and $300bn in the local budgets. This is hardly enough, given the fact that the government will have to invest around Rb3 trillion to prevent a serious fall in production, says Mr. Leonid Paydiyev, who heads the demonopolization and privatization division in Russia's Economics Ministry. The government, he says, intends to obtain the funds in a number of ways.

A preliminary agreement has been reached with the Central Bank under which the bank will grant investment credits totalling Rb250-300bn next year at low interest rates (not higher than 25%).

Mr. Paydiyev said the government has drafted a directive which would require that all provisions for depreciation should be deposited by enterprises into special bank accounts. Funds from these accounts will be used for the sole purpose of implementing investment projects. The government estimates that allowances for depreciation will amount to about Rb1.5 trillion in 1993.

The government hopes that exemption from taxation of enterprise profits reinvested in production expansion will result in the total amount of investments growing by another several hundred billion rubles, Mr. Paydiyev said.

Other sources of funds for investment will be private investments, household savings, private pension and medical insurance funds (approximately Rb50-100bn), foreign investments in the form of credits and direct investment (totalling some $3bn).

Below is the package of government proposals aimed at stimulating the investment activity of both legal entities and individuals in the country.

Short-termed directive measures include:

1) Exemption from taxation of dividends used for social purposes and provisions to medical and pension insurance funds.

2) Indexation of fixed assets of enterprises.

3) Provision of finance for investments for social purposes.

4) Putting in place controls over the use of soft investment credits granted by the Central Bank.

5) Establishment of lower required reserve ratios for commercial banks, so that the funds made available in this way could be used for investment purposes.

6) Provision of soft credits (at no more than 25%) by the Central Bank for the purpose of providing state support to completion of key construction projects and nearly completed construction projects.

7) Accumulation of household savings and provision of housing construction credits.

8) Creation of a single system for insuring domestic and foreign investments.

9) Creation of regional and sectoral commissions to reorganize enterprises and extend to them government support.

10) Definition of rules for the use of accumulated depreciation for investment purposes.

Medium-term measures include:

1) Development of government program for creating securities markets.

2) Exemption from taxation of that portion of income of legal entities and individuals which is contributed to private pension funds, as well as the income of these private pension funds arising from investment activities.

3) Encouragement of leasing arrangements.

4) Russia should act as the successor to the Soviet Union with respect to bilateral agreements on stimulation and reciprocal protection of investments, and on elimination of double taxation.

5) Development of "pilot" investment projects with foreign capital participation.

6) Encouragement of provision of foreign credits and of investment in top-priority industries and in regions with critical economic or ecological situation. In order to implement this package, the government intends to develop an investment program for 1993 which would incorporate a forecast of investment activity until the year 2000, create a state investment company, and put in place a network of sectoral investment banks.

Official Says 'State Management' Key to Stabilization

PM1211123192 Moscow PRAVDA in Russian 6 Nov 92 pp 1-2

[Interview with Yuriy Voronin, deputy chairman of the Russian Federation Supreme Soviet, by Aleksandr Chernyak; date and place of interview not stated: "Yuriy Voronin: Stopping the Country's Collapse"]

[Text] [Chernyak] Yuriy Mikhaylovich, you are deputy chairman of the Russian Federation Supreme Soviet. Usually on the eve of the October anniversary we would always talk about our achievements. Today the situation in Russia is different. Inflation has reached menacing proportions. People's living standards are declining drastically. The economy has been sacrificed to political struggle and power ambitions. Russia's future is at stake. What must be done, in your opinion?

[Voronin] Above all, as the basic avenue of our efforts we should choose not macrostabilization and a zero-deficit budget, but steps to ensure the national economy's survival. We must stop the country's collapse and take urgent anticrisis measures to restore the national economy, using both state methods of influencing it and also the civilized market which is taking shape. We must create conditions for the functioning of diverse forms of economic management and the growth of private business and healthy competition. We must restore the normal work of every enterprise and farm, the entire transport network, and the services sphere; and whether anyone likes it or not, that requires the restoration of state management of the economy. This is not backsliding but taking account of the realities of Russia's socioeconomic position and of its specific features.

Today in our country 95 percent of enterprises are state enterprises, yet in the Gaydar government's management setup for the first stage there were not even structures to manage them. After the Sixth Congress this contradiction was caught and amendments were made in the government. Addressing the Sixth Congress, I said directly to the president: "Boris Nikolayevich, why do we need reforms that make people's lives worse and destroy production forces? What social orientation of reforms can there be if consumer goods output is going to fall 20 percent in 1992? After all, it was Sverdlovsk Oblast which back in 1981 was the initiator in the Union in increasing consumer goods production at defense complex enterprises. But now, with the empty shelves, every condition must be created and enterprises must be ensured preferential credits and lenient taxation to ensure that more consumer goods are produced.

I say further that no one has better first-hand knowledge than you, Boris Nikolayevich, of what the construction complex is like. Today at government level we do not have even a deputy chairman to look after this complex. So we have reached the point where the volume of construction of housing and socioconsumer establishments has decreased by over 30 percent in 1992.

[Chernyak] You in fact, I recall, proposed specific measures.

[Voronin] Yes, I said at the Third Congress of People's Deputies—but then I was not understood—that first an emergency budget should be formed and urgent measures taken to restore the economy. Later a program of anticrisis measures was elaborated and submitted to the

Congress of People's Deputies. It could have been built into a program of deepening reforms.

[Chernyak] But surely it is not possible to build something into Gaydar's program. After all, everyone apart from Gaydar himself admits that this is a program of destruction, not of creation...

[Voronin] In the first stage it still could have been corrected. Today, you are right, most economists have concluded that if we continue to work according to this program the crisis will simply deepen. And everyone, including the president, has been forced to admit: The neo-reformers' macroeconomic policy and monetarist theory and their implementation in Russia have not brought the desired results. A fundamentally new approach is needed, a change in the very concept, which takes account of Russian realities. Strictly realistic, pragmatic approaches must be adopted to the question of how we get from our situation today to an efficient, socially oriented market economy.

[Chernyak] Nevertheless the president, and right after him all the court media, claim that there is no alternative to the Gaydar program.

[Voronin] They do. Just because the neo-reformers cannot see other, more effective ways of overcoming the crisis and moving toward the market, this does not mean that are no such programs. There are. Among others, your humble servant, as already mentioned, has proposed an anticrisis program. "Civic Union's" program for anticrisis regulation contains much that is interesting, as does that of the Higher Economic Union [Vysshiy Ekonomicheskiy Soyuz].

[Chernyak] What is the essence of your program?

[Voronin] I have already touched on the general features above. To what I have already said I will add that the economy must be given a more social orientation. In my view, the new approach should be based on taking account of Russian specifics, Russia's qualitative and quantitative differentials. Here the Chinese experience, in particular, could be helpful. Gaydar rejects it out of hand. Of course, it is not necessary to take everything one for one. But we should bear in mind that the Chinese have been down the same road as we have.

[Chernyak] We are twin brothers...

[Voronin] Absolutely true. And they have managed to switch to the market fairly painlessly, so that GDP is growing at somewhere in the region of 10 percent. The life of the people in their country is not deteriorating but, on the contrary, improving.

But our Gaydar is offering us the experience which the IMF implemented in Mexico and Poland, in other words in places where state ownership was not prevalent and there were at least some kind of market relations. But even there this experience has not withstood the test of time. Attempts blindly to copy, without taking account of Russian specifics, lead nowhere. The neo-reformers' "shock therapy" has led to an absolute deterioration in the lives of Russians and to the impoverishment of people. By the end of the first six months of this year, 13 million people, or 9 percent of the population, had incomes below the poverty threshold (in terms of the physiological minimum).

I would like to stress one more factor: Not one country of any size in the world has gotten out of crisis by relying on outside help alone; success has been achieved only by activating internal potential, by drawing on the people's own forces.

We loudly proclaim much that is by no means incontestable.

[Chernyak] We are attempting, for example, the forcible introduction of private farming.

[Voronin] We should not do this. Whoever wants to take up private farming can do so, and good luck to him. But the collective farms should not be destroyed either. Today they produce the main bulk of food output. Or look what is planned in the privatization program—that by November-December 70 percent of light and food industry enterprises should be privatized. Why are we dictating again? I believe that above all we need to undertake privatization in the sphere of trade and services, enterprises which are located closest to the population.

And the most important thing is the logic behind privatization. Its key goal is to raise production efficiency. The scheme here is the following: privatization of state property—formation of market institutions and a competitive environment—increase in production efficiency—growth of the population's living standards. In actual practice, privatization amounts to the formal act of changing the property holders. This is why people do not see any real impact, and feel that privatization is strengthening the shadowy structures and the mafia.

In the Supreme Soviet people's deputies are asking Gaydar the legitimate question: "Why has the government legalized speculation?" And he claims that now there is no such speculation in our country; these, he says, are all market instruments. Excuse me, what kind of market instrument is this? There is nothing of the kind in any civilized country, as we like to put it. Try in Germany to buy a bottle of beer in a store, and then sell it on the street. First, no one will buy it. Second, that is called undermining the economic fabric of the state. Those people will give you such an economic hammering that you will want to call the sheriff. But in our country this sort of thing goes on right, left, and center. Thus we are destroying the state and creating a class of shadowy operators, which tomorrow will be dictating its terms to everyone. The situation in the trade sphere has become so critical that the president was recently forced to issue a decree on combating speculation.

[Chernyak] Everything is coming full circle...

[Voronin] Last week in PRAVDA you gave an interesting extract from a press conference by Shumeyko. He is asked: "What social basis do you count on for your reform?" He replies: "On the class of entrepreneurs, which does not exist at the moment. But we will create it." Now here's a fine kettle of fish! And what about the people? If the people are not persuaded of the need to carry out reforms and feel no improvement in their lives from them, they simply will not work. Above all the reforms should be aimed at broad strata of the population, and in no event should the leaders of enterprises and the agricultural complex or the intelligentsia be forgotten. It is not thanks to their efforts that Russia has well and truly collapsed. Today Gaydar has dashed off to see directors and gone to Tolyatti, promising mounds of gold. But in fact he has roundly savaged the directors corps. You remember how vehemently Khasbulatov, Gerashchenko, and I were criticized for allegedly leaning on the new Central Bank of Russia leadership and making it offset enterprises' debts. But if we had not done that, there would have been a general collapse. After all, the No. 2 Index [banks' list of potential defaulters and the amounts they owe] as of the middle of the year exceeded 3 trillion rubles [R]. Almost all enterprises, thanks to the neo-reformers, were insolvent.

[Chernyak] People think that the Gaydar government cannot see beyond the end of its nose and is unable calculate where a particular step will lead...

[Voronin] Let me add that the government, having proclaimed the reforms, does not see the most important thing—the people. Thus today the North finds itself under the threat of extinction. Yet 60 percent of Russian territory is the northern region, and 7 percent of the working people out of the total figure for Russia live there. Almost 20 percent of national income is produced there. But the government, through ignorance, did not begin to devote its attention to them in time. In winter we won't be able to do anything there. How many loads can be carried in by plane? A derisory number. If the Congress and the Supreme Soviet had not intervened, this question would have been neglected. By the way, people reproach us, saying that the Supreme Soviet is trying to supplant the government. But what can you do, if the government is doing the wrong thing?

[Chernyak] A realignment of people is taking place. Today even the most ardent democrats already see the pernicious effect of the policy of the present government and the president.

[Voronin] People do have a social memory. People remember that, addressing the Fifth (Extraordinary) Congress of Russian Federation People's Deputies in October 1991, the president, describing the results of economic reforms, said that everyone would be worse off for approximately six months. Then prices would come down, the market would be filled with consumer goods, and by fall 1992 the economy would stabilize and people's lives would gradually improve. Now they are calling on everyone to be patient until next year. But 1993, it follows from forecasts, also promises nothing good.

[Chernyak] That means there is no solution?

[Voronin] Why not? There is. First, we need a strong government. And its strength should be not in theoretical knowledge but in practical actions. I do not see anything bad in this; if the new government is strengthened, it could stop particular processes for particular periods of time, stabilizing the situation, and on this basis actively forming market relations. Stabilizing the situation is no simple matter, also because the Union has collapsed and we are firmly tied to the countries of the CIS. We have to negotiate with them.

Further, today many people are coming to the conclusion that, at the given stage of stabilization, we should temporarily freeze prices on basic products and link them to pay increases. This by no means implies that there should be any rejection of market transformations. It is a question of the need to ensure the degree of state influence on prices that can ensure proper freedom for enterprises and facilitate the growth of production.

The problem of investments also requires thorough overhaul. This especially applies to the reproduction of fixed capital on a qualitatively new basis, at least in the basic sectors. Since oil is the product which is the main source of hard currency, whether we like it or not, we have to devote more attention to the oil industry.

[Chernyak] Many miscalculations, I think, stem from the fact that everything in our economy has been allowed to slide. And after all, many countries have availed themselves of our method of planning.

[Voronin] Perhaps the State Planning Commission is no longer needed today, but let us form a Ministry of Economics and Planning, as they have in France. The collapse of planning over the past two years has inflicted huge damage. Sooner or later we will have to move to the long-term planning of socioeconomic development and the budget process. It is just a pity that we are wasting time.

[Chernyak] Yuriy Mikhaylovich, have you noticed that the government is beginning to slap its "favorite child"—leased enterprises? They are being transferred to the State Committee for Property.

[Voronin] This question has not yet been resolved conceptually. Take the Kama Truck Plant, which, as is well known, was floated back in 1989. As a nonstate enterprise, it is not allocated preferential loans to supplement its working capital. In other words, enterprises in other forms of ownership find themselves in a Cinderella position. In our view, all enterprises should be supported, irrespective of the form of ownership.

[Chernyak] We have crazy hyperinflation and the ruble is dropping disastrously against the dollar. Of course, this is happening artificially; a big game is afoot, and many people are warming their hands at the fire. Yeltsin and Gaydar continually promise to stabilize the process and bring about ruble convertibility. But none of this is happening yet.

[Voronin] I think that, here too, there should be a special program for financial recovery. They are trying to solve the problem of convertibility back to front. In my view, nothing can be achieved without a solution of the main issue—the problem of stabilizing the economy and getting it out of crisis.

And then just try to buy something in a store in the United States for any convertible ruble. Will you manage to buy anything? No. Why then don't we make our ruble work? We introduce 100-percent sales of hard currency on the stock exchange and hope thereby to stabilize the ruble. But this is unrealistic. No one will be able to sell it, because entrepreneurs have no guarantees that they won't go bankrupt tomorrow and have to buy at the same price as they sold. In a difficult crisis period De Gaulle issued an edict: If currency received for export production does not return to the country within one month, the firm is deprived of the conditions necessary for exporting its product. Later he went from one month to four, but when entrepreneurs began violating the rules of the game, he again had to tighten up the requirements.

And what do we do? We give people the right to sell oil and place the money in foreign banks. Economists estimate that $1 billion remains abroad every month in the illegal accounts of enterprises and citizens. Well, in that case, excuse me, we will never live to see a hard currency.

Many of our troubles stem from the fact that top officials have no feeling of responsibility for the decisions being adopted, for their activities. I leave Gorbachev aside. But in the last two years the government has changed three times, and not one of these governments has reported to the Supreme Soviet. They left the stage quietly and peacefully. The collapse continues, and so far no one has accepted any responsibility.

[Chernyak] Yuriy Mikhaylovich, today there are more and more unemployed people in our country. As a rule they are left to their own devices. At best people are told to apply to the employment exchange. And what can the exchange do? If there is a job, it will offer it; but if not?

[Voronin] A special employment fund has been set up to soften the blow of unemployment. But of course this is not enough. If we have indeed set out for the market, the program of transition to the market should satisfy the interests of all strata of people. Everyone should find himself in this program: enterprises, collectives, small business entrepreneurs, every Russian citizen. A program of increased employment, of increasing jobs, should also have a special place in it. So far we are taking the simple path—we are seeking to increase just the unemployment funds. Whereas deductions to this fund have been set at 1 percent of the wage fund, next year we are increasing them to 2.5 percent.

[Chernyak] Today we have a crisis of power, an intensification of the battle between the president, the government, and parliament. The president is even threatening not to let parliament forget its failure to agree to postpone the congress. A change of government cannot be avoided. And the faster this is done, the better for Russia.

[Voronin] I basically agree with your assessment. As I have already said, a new approach is needed, a new program to get Russia out of crisis. Such a program exists. It is a program of joint action by president, parliament, and government. At this critical hour every man, every patriot, can have no other choice but to combine efforts in the face of the danger hanging over our whole society. Most of all we need unity of ideas and actions, labor discipline, organization, and order. This is democracy in action.

Minister Urges Keeping 'Single' Industry Ministry

PM1311131992 Moscow ROSSIYSKIYE VESTI in Russian 11 Nov 92 p 4

[Article by Minister of Industry Aleksandr Titkin: "We Should Not Be Reduced to 'Screwdriver' Technology"—first paragraph is introduction]

[Text] Aleksandr Titkin, head of the Russian Ministry of Industry, which is being abolished by presidential edict, considers that the scheduled reorganization will wreck preparations for work in 1993.

Our industrial potential is being destroyed at present. Once we have lost our industry, the base of our economy, our state will essentially lose its autonomy. Russia will be reduced to "screwdriver" technology like many third world countries, and the West will be interested in us only as a source of raw materials and cheap labor.

The replenishment of enterprises' working capital is a matter of urgency today. The Ministry of Finance and the Central Bank ought to give the enterprises credit.

Opponents of this approach say: Let the weak go to the wall. But the weak are always someone else's partner. So, if a plant producing brake shoes for the ZIL Plant "goes to the wall," ZIL will immediately grind to a halt.

Incidentally, we proposed replenishing working capital as a matter of urgency back in March, when the "at-risk file" was only just beginning to swell. At that time 200 billion rubles [R] were required, whereas now R700 billion are needed without taking into consideration the increase of the price of energy sources.

In these circumstances the abolition of our single Ministry of Industry raises many questions. Here the actual situation in the country and the experience of leading industrial countries—Japan, South Korea, Italy, Spain, Britain, and France—which have single ministries of industry, are not being taken into consideration.

Finally, the reorganization scheduled for the year's end will completely ruin preparations for work in 1993. Everyone will abandon their work for several months and will busy themselves with sharing out buildings, automobiles, and positions, and then, having settled in their new positions, will blame all the ills of 1993 on their predecessors and the reorganization.

There is no arguing that it is necessary to improve the structure, but we should not go on carrying out a revolutionary shake-up for ever. In this way we will be carrying out the reorganization all our lives.

Fiscal Policies To Be Rigid in Ruble Zone

OW1311042692 Moscow INTERFAX in English 1735 GMT 12 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] The rigid credit and monetary policy pursued by the Russian Government and the Russian Central Bank (RCB), which was accompanied by a marked discrepancy between cash issue and price level, produced an 80-time increase of the volume of Russia's default of payment within the first six months of 1993 amounting to 1.3 thousand billion [bn] rubles [rbls] by July 1. In the meantime, uncoordinated credit and loan policy of national banks of the former Soviet Union republics resulted in the increase of defaults of payment among them and economic subjects of various states. This became a focal problem in the economic relations of the ruble zone countries. Most probably, this issue will be addressed at the meeting of the CIS heads of governments in Moscow Friday.

Deputy chairman of the Russian Central Bank, Vyacheslav Solovov, provided the following assessment of the situation that has developed and clarified Russia's stance in that respect in an interview for INTERFAX's economic observer Valeriy Martyanov.

Vyacheslav Solovov reminded that until July 1993, Russia had been pursuing the most rigid financial policy of all the ruble zone countries. As a result, Russian enterprises became insolvent and their debt to partners in the other countries of the former Soviet union was building up. In order to protect Russia's national interests, Mr Solovov noted, Russia had to liberalize its credit and loan policy and change the accounting procedures with the ruble zone countries. In compliance with the RF [Russian Federation] President's Decree of July 1, 1992, all further accounting operations were to be performed only through the correspondent accounts of the main banks of the former Soviet Union republics in the RCB, all payments from these accounts being strictly regulated by their assets.

RUSSIA ALLOCATED 400 BN RBLS AS TECHNICAL CREDITS

At the same time, Mr Solovov said, as a result of low solvency of Russian enterprises the RCB had to resort to the practice of technical crediting. In his words, such kind of crediting envisages that summary payments to Russia from another state in the ruble zone may exceed the volume of inpayments at its correspondent account in the RCB by the value of a technical credit provided to that state.

Beginning from July 1 through November 3, the ruble zone countries have used over 400 bn rubles in the framework of the technical credits provided by the RCB. The credits (bn rbls) distributed as follows, Azerbaijan: 5 Armenia: 12 Belarus: 51 Georgia: 17 Kazakhstan: 100 Kyrgyzstan: 9 Latvia: 0.3 Lithuania: 3 Moldova: 5 Tajikistan: 6 Turkmenistan: 20 Ukraine: 154 Uzbekistan: 17

In the meantime, Russia concluded agreements on the state level with all the participants of the ruble zone according to which payments will be limited strictly to their assets at the RCB correspondent accounts. These agreements, however, have been violated by some of the CIS countries. In particular, Ukraine, Kazakhstan and Belarus were not observing them. From July 1 through November 1, they made more payments from Russia than to Russia, the difference amounting to 500 bn rubles.

The resources (bn rbls) denied by RCB: Azerbaijan: 28 Armenia: 0 Belarus: 0(*) Georgia: 0 Kazakhstan: 17 Kyrgyzstan: 0 Latvia: 2 Lithuania: 1 Moldova: 4 Tajikistan: 1 Turkmenistan: 7 Ukraine: 225(**) Uzbekistan: 20

* Payment documents to the sum nearly 20 bn rbls have been returned to the National Bank of Belarus.

** Payment documents to the sum nearly 200 bn rbls have been returned to the National Bank of Ukraine.

The Russian Central Bank and the Russian Government, Mr Solovov said, have no intention to reimburse the payment documents presented by CIS countries nor augment to 500 bn rubles the volume of technical crediting to the ruble zone countries.

RCB DOES NOT EXCLUDE FURTHER CREDIT ISSUES...

The increase of payment by the Russian enterprises becomes the key issue for resolving the problem of inter-state payments. The deputy chairman of the Russian Central Bank favors liberalization of the credit policy with respect to "efficient enterprises". He said that in the assessment of banking experts, the Russian enterprises will require an additional thousand billion rubles for effecting normal payments among themselves and their partners in the ruble zone countries.

The RCB, however, is not going to resort to an "avalanche-type credit issue". Any decision in regards to additional crediting, he added, will be coordinated with the Russian Government and the Russian parliament. He explained this by the fact that neither the RCB nor the Russian Government can presently guarantee a "settling of these resources in the banking turnover". An issue to the consumer market of even a small share of these funds will ineluctably produce another turn of inflation.

Mr Solovov does not exclude a possibility of new state credits to be made for the purpose of optimizing the accounting among the states.

AND INTENDS TO STIFFEN ITS POLICY TOWARD NATIONAL BANKS OF THE RUBLE ZONE COUNTRIES

In the words of Mr Solovov, in anticipation of resolving the payment problem the RCB recommends that Russian enterprises supply their produce to the countries of the former Soviet Union only after the money for their supplies have been deposited on their accounts.

In its turn, Mr Solovov said, the RCB intends to stiffen its demands to the national banks of the ruble zone countries and abstain from accepting their payment documents unless their correspondent accounts have adequate assets.

The completion of mutual accounting, as of July 1, 1992, in his opinion, will also contribute to the solution of inter-state payments.

FUNCTIONS OF INTER-STATE BANK TO BE DEFINED

Mr Solovov said that at their meeting in Minsk last week, the experts from 12 republics of the former Soviet Union reached a preliminary understanding as regards the provisions of the draft agreement on the inception of the Inter-State Bank (ISB). The draft document is expected to be finalized in November to be presented for approval by the leaders of the 12 countries of the former Soviet Union (except Baltic republics) on December 1.

In his words, all the experts agree that the ISB main objective would be organization of multilateral accounting operations for the ruble zone countries (and for the countries using ruble for their inter-state accounting), as well as coordination of the monetary and credit policy of the national (central) banks.

In the words of Mr Solovov, The ISB will operate on the principle of clearing payments, performing multilateral accounting operations among the national banks of the ruble zone countries on the basis of clearing.

He also said that the ISB will use the ruble as its principle unit of payment, while it will also use hard currency and the currencies of the other ISB founder countries.

The ISB authorized capital, in his words, will be formed in compliance with the economic potential of its founders, while the share of each one of them will not exceed 50 percent of the total sum (proposedly, 50 percent will belong to Russia). The number of votes during the Bank's decision making sessions will be distributed in proportion with the parties shares in the Bank's authorized capital.

Repayment Policy Said To Delay 'Debt Imports'

PM1311130192 Moscow IZVESTIYA in Russian 3 Nov 92 Morning Edition p 7

[Correspondent Boris Vinogradov article: "Old Debts, But New Ruble Exchange Rate"]

[Text] Goods ready for dispatch to Russia lie inert in the Vietnamese ports of Haiphong, Danang, and Saigon [as published]. Local firms are incurring losses on storage and the use of warehouse premises and containers. At the same time, freight worth millions of rubles—sent from Vietnam and other countries as a means of paying off debts to the former Soviet Union—has accumulated on the quaysides of the Black Sea and Far East Steamship Companies.

If we bear in mind that it was always going to be problematical to recover the credits we so generously lavished on states of the appropriate orientation in the past, you could say that these goods are being sent "gratis," seeing that the debtors have both the opportunity and the desire to pay. And, considering the poverty of our market and the wisdom of the popular saying about a spoon being most valuable at dinner time, we must admit that they could not have been sent at a better time. But where are these goods? Why are they not in evidence in our stores?

Before answering these questions, we would like to offer some information about a legacy we have not renounced and have no intention of renouncing. Namely, debts owed to the former Soviet Union by foreign countries. I have been informed by the Russian Ministry of Foreign Economic Relations that, if all these debts were collected, we would be able to scrape together some $146 billion.

The CIS countries have been unable to share out these billions among themselves to date mainly because, in most cases, it is rather like counting chickens before they are hatched; it is impossible to collect all the debts at once. But there is an agreement to adopt a "zero option" whereby all of the former Soviet Union's assets and liabilities abroad are Russia's responsibility. States such as Belarus, Turkmenistan, and Kyrgyzstan have agreed to this.

The debtors have been conditionally divided into three groups. The first consists of "persistent non-payers," so to speak. In other words, those whose economy is in a very bad state because of constant wars, droughts, and revolutions: Chad, Uganda, Tanzania, the Central African Republic, Equatorial Guinea, Mali, Nicaragua, Angola, and others. Some economists feel it would be best to auction off their debts. But we could only auction off "friends' debts" and obtain one-half or one-third of the amount due to us if the debtors concerned refused to pay. For the moment none of them has officially proposed this initiative; they all say that they remember how we helped them and promise to repay the debt some day.

The second group consists of those who pay but break the payment terms and deadlines: Benin, Ghana, Algeria, Cambodia, and Jordan.... Finally, the third group is made up of those who "try" to pay punctually: India, Indonesia, Bangladesh, Iran, Egypt, Turkey, Morocco, and Tunisia.

With some amendments, the latter group can also include Vietnam, which is prepared in principle to resolve the "debt problem" and, as experience shows, displays greater zeal than its main creditor in this respect. But it is a question of repaying the debt with goods rather than with money, because hard currency reserves are greatly stretched.

In our case, credits were mainly allocated on the basis of ideological considerations, and it was "somehow awkward" to discuss the need for their mandatory repayment; the question was usually left beyond the bounds of legal responsibility. The principle that normally prevailed was: "Take what's offered" or "our people will settle up later."

But now Russia itself is in debt, and you can understand the urgency with which it is demanding that old checks be paid. Indeed, some people are insisting on hard currency. As Deputy Minister of Foreign Economic Relations V. Shibayev told me, we could use the money to buy essential goods, including food, medicines, and consumer goods. Others take a more commonsense approach and advise that we take whatever is offered, because our domestic market will swallow up anything. If we want our debts repaid in the foreseeable future, we can only realistically count on commodity supplies, not on cash, according to Yu. Gromushkin, adviser to the minister of foreign economic relations.

Russia was supposed to receive goods worth more than $500 million this year. So why are they being held up at the ports?

The fact is that, at the moment when containerloads of consumer goods and food were approaching our shores, the Russian Economics Ministry Prices Committee and the Russian Finance Ministry published a curious document, whose title should be reproduced in full: "Procedure for Import Payments and Subsidies With Centralized Import Purchases." This "procedure" has been in operation since 1 September, firmly preventing Vietnamese and other goods from reaching the Russian consumer, who is suffering from shortages, high prices, and lack of food.

The selling price of these goods—based on the dollar's market exchange rate, customs duties, and jacked-up transport and trade costs—has soared to a level 5-8 times higher than our domestic prices.

Meanwhile the Central Bank has carefully removed from the current account of every foreign trade association concerned the ruble equivalent of each imported item received as repayment of debts. In turn, the Ministry of Trade refuses to accept these goods, because they are "beyond the means of the ordinary consumer."

"It is a paradoxical situation," Ho Huan Nghiem, Vietnamese ambassador in Moscow, said to me. "We send goods to Russia, but they cannot be sold here. So our initiative is not reducing Vietnam's debt but somehow increasing it. After all, our very real losses from unfulfilled contracts lie behind all this muddle with prices."

The Russian Ministry of Foreign Economic Relations told me that foreign firms intend to impose fines in the event of a denunciation of contracts under which goods have already been produced and are lying in warehouses. The logic of the Prices Committee's arguments is simple: These goods are not free, they are not "humanitarian," and our state paid for them 10-20 years ago by giving credits. The Ministry of Foreign Economic Relations and its associations do not agree with this approach, instead demanding that ruble prices be cut to reasonable levels by means of subsidies and that customs duties be abolished. Indeed, it is absurd to make a charge for the repayment of a debt—just as it is absurd to charge for humanitarian aid.

According to the Ministry of Finance, a decision on changing the payments system, allocating subsidies, and abolishing duties on "debt imports" has finally matured. But will the remaining two months be enough time for our firms and their foreign counterparts to sign contracts and supply Russia with everything intended to be sent during 1992 as a whole?

Or will we once again be dealing with "underfulfillment" of foreign trade commitments?

VAT Cut, Farm Subsidies Promise Lower Bread Prices

PM1311113592 Moscow ROSSIYSKAYA GAZETA in Russian 12 Nov 92 First Edition p 3

[Unattributed report under the "Yesterday, Today, Tomorrow" rubric: "Bread Prices Set To Fall"]

[Text] The Russian Government intends adopting measures to reduce retail prices for bread and bread products.

The implementation of these measures will make it possible to cut bread prices by an average of 5-6 rubles per kilogram using budget subsidies. The reduction of value-added tax on 1 January 1993 will make it possible to cut those prices by a further 4-5 rubles. That was announced yesterday by the Russian Government press center. According to the press center's information, it is intended to channel around 270 billion rubles in subsidies to agro-industrial complex enterprises and farms in 1992 and also to provide preferential credits to all land-users. As a result of these measures, according to expert asessments by the Russian Ministry of Economics, the average cost of the most popular loaf, made from wheat flour, should not exceed 26-28 rubles a kilogram.

New Measures Aim To Avert Livestock Crisis

PM1211165592 Moscow IZVESTIYA in Russian 11 Nov 92 Morning Edition pp 1, 2

[Valeriy Konovalov report: "Viktor Khlystun: Livestock Raising in Russia at a Critical Point, But All Is Not Lost Yet"]

[Text] The drastic fall in numbers of livestock has reached a critical point in Russia. The disparity of prices and shortage of feed on the eve of winter are forcing peasants to curtail livestock raising. However, the measures elaborated by the Russian Ministry of Agriculture should take the sector out of the impasse.

"Every year at this time, just before the start of the wintering period in livestock raising, there is a significant culling of low-productivity stock," Russian Agricultural Minister Viktor Khlystun says. "This in itself is a normal phenomenon. What's more, the rate of stock reduction this year is even lower than last. But the situation is still qualitatively different and therefore alarming: high-productivity livestock and breeding stock are coming under the knife now too. We are at a critical point, beyond which lie irretrievable losses and a threat to the future of the entire sector.

"The reasons are fully understandable. Above all, prices. Although we reached a level of 70 percent of world prices for grain, meat prices remained 10 times lower than the world level. Basically, livestock raising today is unprofitable for peasants. The subsidies allocated this year by the government merely reduced the level of unprofitability, but for all that, as you know, it is pointless to run a business at a loss.

"The second reason is the shortage of both coarse and succulent feed. The provision of Russian livestock raising with these products by the onset of winter was 10 percent lower than last year, and 30 percent below requirements."

According to Viktor Khlystun, the feed problem is particularly acute in 18 of Russia's 88 regions—that is, in central, northern, northwestern oblasts, and in the east—Tuva, Buryatia, and Altay. Nevertheless, the minister considers it wholly realistic not only to keep the sector from collapse, but also to bring about its significant development. He is convinced that the government will adopt the measures proposed by the Ministry of Agriculture because the need for them is obvious. A portion of such measures is already being carried out. In practice, the problem of concentrated feeds, which should compensate for the shortage of coarse and succulent feed, has been solved. A Council of Ministers decree on supporting pedigree livestock raising has been adopted: It provides for large subsidies for the upkeep and acquisition of pedigree livestock. The reduction of breeding stock in poultry farming has already successfully been halted. A decree on subsidizing the transport of feed for those same 18 regions has been drawn up. A number of other documents to support the sector have also been elaborated.

The minister pins great hopes on the antimonopolistic measures being proposed, which should, if not reduce, then at least stabilize prices for resources to rural areas. In his opinion, an increase in purchase prices and, correspondingly, retail prices for livestock products is inevitable, which is somewhat worrying for the consumers. But it has to be understood and agreed that the situation is abnormal when a bottle of milk is cheaper than a bottle of mineral water. The minister believes that the government, in its turn, even in conditions of a constricted budget, should agree to an increase in subsidies for livestock products. State support for the reformed agricultural sector will not be identical to former budget infusions into the bottomless pit of the collective farm economy.

"I am convinced that all the necessary measures will be undertaken," Viktor Khlystun says, "and that livestock raising will move from being a money-losing sector into profitability next year. So I strongly advise peasants not to be hasty in reducing stock. The person who hangs on to livestock raising today will benefit greatly tomorrow, that I can guarantee."

Of course, the measures being proposed will win for livestock farmers nothing more than the opportunity to make good profits. Anything else in conditions of new economic relations will depend upon the enterpreneurship of peasants themselves. Many private farmers and agricultural cooperatives are striving now to set up a complete cycle for themselves up to the production of semifinished goods. An upsurge of entrepreneurship and efficiency is characteristic of the majority of joint-stock holdings created in place of the former kolkhozes and sovkhozes, and it is no surprise that their leaders' opposition to reform has diminished drastically. Processes like the active cooperation between private farmers, the appearance of new infrastructures, maintenance services, and peasant cooperative banks, the minister believes, testify to the success of the agrarian reforms, whatever the skeptics may say.

Viktor Khlystun himself is far from a blinkered optimist—he is more of a realist. Having come into the government from the field of science, he bases his position on economic calculations, refraining from political emotions. Thus he is convinced of the need for a land market (without which there is no chance of a healthy agro-economy) but only if their are precise mechanisms and guarantees of protection against profiteering and the squandering of land.

He is far more cautious than people often give him credit for in respect of private farming. "Our alleged intention of setting up a million private farm holdings within a very short space of time has become a popular accusation leveled at the Ministry of Agriculture," Viktor Khlystun says, "when the fact is that there is no chance of this. Neither the ministry nor the government has ever had any such plans. On the contrary, according to our calculations no more than 100,000 peasant farm holdings should have come into being this year, while in fact there are already 150,000 of them. And I personally believe that ultimately there will be around half a million private farm holdings along with joint-stock and cooperative holdings in Russia."

In many ways, such stances explain the degree of paradox in Viktor Khlystun's present situation. In actual fact, agrarian policy is now the sphere of a furious battle, and the figure of the agriculture minister is no longer an irritant here for opposing political groups. Just a year ago, for instance, leaders of the state and collective agricultural sectors were looking for his resignation, but now, on the whole, they have found a common language with him. This may be both because, as experienced practical workers, they sensed palpable benefits from the reform for their holding, and because they value the minister's independence from all political bias.

Security, Military & Nuclear Issues

Shakhray Appointed Member of Security Council

LD1311115692 Moscow Radio Rossii Network in Russian 0900 GMT 13 Nov 92

[Text] The president's press service reports that a decree from Boris Yeltsin of 11 November of this year appointed Sergey Shakhray, deputy chairman of the Russian Government and chairman of the State Committee for Nationalities Policy, a member of the Russian Federation Security Council. He began to perform the duties of this office from the moment the decree was signed.

OMON Troops Sent to Magadan Oblast Gold Mining Region

OW1311063392 Magadan Radio Magadan in Russian 0800 GMT 10 Nov 92

[From the oblast newscast]

[Test] The oblast OMON [Special Purpose Militia Detachment] troops had hardly landed at Susuman when the local residents wanted to know if it was some kind of emergency situation or if they were just engaged in routine work. It is no secret that the current gold-washing season on Kolyma was not quite normal. Theft of the precious metal and attacks by robbers on washing installations began at the very start of the washing season. Workers of the currency section of the regional internal affairs department labored endlessly but they did not have enough resources because 50 percent of the rayon militia's staff left during the summer.

The OMON troops invited from Magadan rendered great assistance. They all immediately left for Myaundzha settlement, where the greatest number of violations have been registered. The miners are wrong in thinking that today they no longer require budget-funded organizations. If they do not change this policy, then the rayon will not only end up with no law enforcement officers, but will also lose its doctors and service workers. Already clubs and libraries in the settlements have been closed and there are no barbers shops.

Yeltsin Decree Calls for Revival of Caspian Merchant Fleet

LD1111114192 Moscow Mayak Radio Network in Russian 2230 GMT 10 Nov 92

[Text] A decree by Russian President Boris Yeltsin calling for the revival of the Caspian Sea Russian Merchant Fleet is being circulated. The document signed on 31 October stresses the expanding role of merchant fleet communications in developing foreign economic ties between Russia and Caspian region countries and the importance of ensuring transit freight transportation between European and Asian countries via the shortest waterways.

The president's press service reports that the Russian Government is empowered to elaborate and approve a program for the revival of the Russian Merchant Fleet on the Caspian Sea by 1 January 1993. It was deemed necessary to build a freight sea port and reconstruct the Volga-Caspian Sea shipping canal to ensure year-round navigation.

Draft Problems Seen Imperiling Army Strength

PM1211141392 Moscow KRASNAYA ZVEZDA in Russian 12 Nov 92 p 1

[Aleksandr Zotov report: "Problems With Conscripts. But Army Must Be Brought up to Full Strength"]

[Text] In our country there have always been young people for whom military service has been unattractive and who certainly have not regarded it as their honorable duty. But it is also true that the majority, the overwhelming majority of conscripts, have joined the ranks with a clearly felt sense of duty and a sense of responsibility toward their relatives, loved ones, friends, and society as a whole. Even completely legal and justified exemption from service was not publicized and caused embarrassment. Evasion of service and desertion were considered to be—and there are millions of witnesses to this—acts which were deeply immoral, unpatriotic, and unforgivable. And also criminal. The Criminal Code also helped keep watch over the interests of the Armed Forces and therefore of the country and the people.

Now times have changed. Many moral and legal norms have been eroded and marginalized. Each successive routine draft becomes a problem which is harder and harder to resolve.

Almost one and a half months have elapsed since the Russian president's edict on the fall draft was proclaimed, but there are not so many people at the induction stations as there used to be. For example, according to figures of the Moscow City Military Commissariat, it has not been possible to muster even half the necessary contingent of conscripts. Over the country as a whole the situation regarding the draft is even more alarming. As Lieutenant General Vitaliy Bologov, chief of the General Staff Main Directorate for Organization and Mobilization, pointed out, today barely one-third of the number of potential conscripts actually become soldiers. The Russian Ministry of Defense is seriously worried that, even with the planned reduction in the number of servicemen on compulsory service to 1.5 million men, it will not be possible to bring the Army and Navy completely up to strength. There is already a great shortage of personnel in Army units and on ships. Especially in the Navy, where the length of service has been reduced to two years, and any day now two groups of conscripts will be discharged simultaneously—the last three-year recruits and the first two-year ones. There is a similar situation in other branches of the Armed Forces as well. The Russian Federation Ministry of Internal Affairs internal troops are also experiencing an acute shortage of personnel, and every man there really does count in the present situation.

So what is the reason? Of course the fact that the new law on military service and military service obligation has still not been adopted has played a certain role here. But though they have failed to determine their position with regard to the main issue, the legislators have considered it possible to allow many exceptions to the rules—draft deferments, privileges that are often enjoyed by anyone but the people who are rightfully entitled to them. It is also significant that when a young person goes off to the Army today, he is not certain whether he will be able to return to his former place of work on completing his service and that his family—his wife, father, and mother—will not be forgotten. The conscript does not enjoy other previously traditional social guarantees at the state level. And you cannot talk about the prestige of military service. At one time it was recklessly placed entirely at the service of immediate political goals. Now we, so to speak, are reaping the fruits and paying for the contempt with which the Army was treated. But does anybody not understand that the new Russia cannot do without an army?

It seems to me that the government has mapped out a constructive way to proceed. On 3 November at a session of its collegium the Russian president pointed out that as early as 1993 there will be a switch to the mixed principle of recruitment for the Armed Forces. It is supposed that this will make it possible to make military service more attractive. As well as profitable from the material point of view. Privates and noncommissioned officers will, for example, receive from 4,000 rubles [R] to R12,000, depending on their chosen speciality, category of troops, length of service and so forth, and under special conditions of service they will get up to R18,500. It is planned that by as early as the year 2000 half the Russian servicemen will be recruited on contract and in a few years the problem with the draft will automatically disappear. But this is, comparatively speaking, a long-term prospect. For the time being we are forced to resolve the problem of manpower acquisition in the Armed Forces under the existing conditions.

By decision of the Russian Federation president 15 November has been declared All-Russian Conscripts Day. It is planned that on that day meetings between the Ministry of Defense leadership and the command of military districts and fleets and conscripts and their parents will be held at induction stations and in military units and subunits. Representatives of war and labor veterans' committees and soldiers' mothers, the public from the oblasts and rayons, and military-patriotic and youth clubs have been invited. The list of participants and the scale of the planned event already testify to the importance the president and the country's leadership attach to the Army draft. Only this is not enough. It is important that we all understand that the task that is being resolved today is not a peripheral one, and that both Russia's present peace and quiet and its future depend on the Army's being up to strength, that is, on its combat readiness. Moreover, one is fully justified in posing the question in this way: If today we do not succeed in getting the Armed Forces completely up to strength, if we do not manage that task, this means that other tasks will not be within our grasp.

I believe that this is not so. The Armed Forces will be replenished with conscripts. And in the required numbers.

Program for Resettling Officers, Refugees Outlined

PM1211165892 Moscow KRASNAYA ZVEZDA in Russian 12 Nov 92 p 2

[Ivan Ivanyuk report: "Program for Resettling Reserve Officers and Refugees Drawn Up"]

[Text] This program was presented to journalists yesterday by the working group set up by a special Russian Federation Government directive. The program is called "Moscow-St. Petersburg" and claims the status of a state program. It makes provision for the creation, along the planned new Moscow-St. Petersburg-Vyborg freeway, of a preferential economic development zone in which servicemen discharged to the reserve in the course of the reduction of the Armed Forces, and people resettled from Central Asia, Transcaucasia, and the Baltic, will live and work.

To implement the plans—it is first and foremost a question of setting up several hundred model private farms, developing commercial tourism, and setting up industrial parks on the basis of the military-industrial complex—it is proposed to enlist mainly nonstate resources and capital from at home and abroad. It is proposed to set up a coordinating enterprise in the form of a joint-stock holding company.

The "Moscow-St. Petersburg" program is based largely on sociological research, according to which, of 4,000 officers who were polled, one-third would like to settle in the region between the two capitals following their discharge to the reserve.

Ministry Concerned Over Disposal of Spent Nuclear Fuel

LD1311103292 Moscow ITAR-TASS in English 1328 GMT 12 Nov 92

[By ITAR-TASS correspondent Anna Bakina]

[Text] Moscow November 12 TASS—"Disposing used fuel from nuclear power stations without reprocessing is hazardous for the life of succeeding generations," Russian Deputy Minister of Nuclear Power Nikolay Yegorov told a press conference here today.

Used fuel contains such radioactive substances as uranium and plutonium. During reprocessing they are separated and can be used again while the resulting waste should be kept in ground storage facilities for tens of years and then buried in underground tanks.

There is a well-developed nuclear fuel reprocessing network in the world. For instance, Britain and France accept Western Europe's used fuel. Russia reprocesses the fuel of the former socialist countries and Finland where nuclear power stations were build at one time under the Russian blueprint. Reprocessing is very costly. Countries that supply used fuel pay for this work in freely convertible currency, which certainly is one way to replenish the state budget.

Specialists at the Ministry of Nuclear Power say relationships with former Union republics, specifically Ukraine are a major problem. For the present, the reprocessing by Russia of Ukraine's used fuel is paid under old agreements, in roubles. However, the political situation calls for the adoption of new legislative acts regulating interaction between former Union republics which are now sovereign states.

A special bill is currently elaborated in Russia to solve radioactive waste management problems. The bill is now under consideration in the Russian Government. This document has one more significant innovation: In case a question on disposing used fuel in some or other area is raised, the bill stipulates that the issue is put to a wide popular debate.

Supreme Soviet

New Constitution Not To Be Adopted Before Mid-1993

LD1211163992 Moscow Russian Television Network in Russian 1100 GMT 12 Nov 92

[Report by correspondent L. Ioffe, with recorded remarks by Supreme Soviet Speaker Ruslan Khasbulatov addressing the Supreme Soviet]

[Excerpt] The joint session of the chambers started with the introduction of amendments and additions to the constitution currently in force. This is called forth by the fact that, in the opinion of the committee for legislation, the new constitution will not be adopted before the middle of next year. And amendments have to be noted in connection with the Federal Treaty, the organization of land resources, and the powers of the branches of authority. The law was adopted at the first reading. Discussion took place in the light of Boris Yeltsin's amendments to the law on the government which were rejected yesterday, in which the presidential powers were reduced. Ruslan Khasbulatov thereby firmly stated:

[Khasbulatov] Whether you sign it or not, the law is in line with the Constitution. As a law it should be submitted to the congress for amendment.

[Ioffe] This means it is already part of the text of the Constitution. To be more exact, the problem of the separation of powers constantly worries the deputies. The speaker also noted:

[Khasbulatov] As it is we are doing much more than we should if one keeps to the Constitution. [passage omitted citing unidentified deputy suggesting that the Constitutional Court should sort out the separation of powers]

Khasbulatov: Grachev Says Army Loyal to Constitution

LD1311160992 Moscow ITAR-TASS in English 1541 GMT 13 Nov 92

[By ITAR-TASS parliamentary correspondent Aleksey Tabachnikov]

[Text] Moscow November 13 TASS—Russian parliament speaker Ruslan Khasbulatov told parliament today that he was in touch with the Russian defence minister, Pavel Grachev after Iona Andronov told the session that the parliament is facing the threat of dissolution.

According to Khasbulatov, the defence minister "was greatly surprised and assured him that the Army and the Defense Ministry were loyal to the Constitution and support the parliament as well as the president".

Khasbulatov Argues for Expanding Parliament's Role

PM1011175192 Moscow ROSSIYSKAYA GAZETA in Russian 7 Nov 92 First Edition pp 1, 5

[Article by Ruslan Khasbulatov: "Improving Parliamentarianism Is the Road to Democracy"]

[Text] The effectiveness of the Russian Supreme Soviet's activity is largely, if not decisively, dependent on the general political, social, and economic situation in the country, the dynamics and results of the economic reforms, the Russian state's position in the world community, and its successes or failures in foreign policy.

Objectively there can be no situation in which results in all these spheres are rather modest or even negligible but at the same time parliament makes a very high assessment of its own activity. So it is clear that citizens, too, connect the Supreme Soviet's activity with specific economic and social life, with their own personal and social security, and with the prospects and hopes that power and the specific bearers of that power—in particular, the members of the Supreme Soviet arouse in them.

It is obvious that the disintegration of the USSR considerably weakened the potential for the development of the democratic process and for the formation within the bounds of Russian statehood of a real federative state with stable, pronounced features of a classic state that is effective not only thanks to the division of powers but also to their stable interdependence and collaboration. However, the swift bureaucratization of state mechanisms threatens to bring about a total collapse of the Federation and may overturn one of our few positive achievements—the Federation Treaty, which has become a component part of the present Russian Constitution.

I will cite one example. In 1991—the last year of the USSR's existence—the country's budget was allocated as follows: The Union budget's share of the total budget was 40 percent, and the Union republics' share was 60 percent. Yet we all used to criticize the USSR for being a unitary state. Nowadays, when we say that the Russian Federation is a truly federative state, the budget is divided as follows: The federal budget accounts for 75 percent and the budget of subjects of the Federation for 25 percent. That is, financial and economic centralization is stifling the republics, oblasts, and krays and objectively pushing them toward disobeying the law and toward separatism and regionalism. This is one of the reasons why the reforms are failing to make headway. It means that real market approaches toward reforms are literally being hijacked by the traditional totally bureaucratic methods and means used to implement them. The new center, now purely Russian, is trying to decide everything.

It is important that we understand this fact and not merely place it on record, because correct understanding of it will probably make it possible for legislators to respond properly and to be more realistic in their assessment of the purely technocratic decisions submitted to us for formalization in legislation. We must also clearly perceive our own share of the responsibility for the profound slump in production, the growth of unemployment, the extinction of scientific and technical potential, and the lumpenization of considerable strata of the population, including the intelligentsia.

The critical weakening of state power is also shown by the practical start of war in the North Caucasus, signs of which have been looming on the horizon for a year now. God grant that we cope with the situation at the cost of the "little blood" that has been shed so far.

Nor have the illusory hopes of attracting Western big capital, to which the calculations of certain reformers assigned the role of "locomotive of the reforms," been justified. One year on, after numerous failures, I think a sobering-up process is beginning: There is now an admission of our own errors, the need for reliance on our own efforts, and a more or less pronounced emphasis on national-state interests in foreign policy.

Today we are running up against an extremely negative tendency: a desire to shift the consequences of delusions and errors onto the "opponents of reform." The quest for "opponents" is being conducted particularly vigorously in the upper echelons of power. This fact is making its mark on the present activity of the Supreme Soviet. Unfortunately, it so happens that almost any question resolved in parliament gains a clear neoideological complexion, whereby common sense and people's real lives are totally rejected. This severely complicates the legislative process and makes it susceptible to transitory factors. We must get rid of this. And as swiftly as possible, if we are really devoted to our homeland and our people.

What is necessary for this?

One. We must get it through our hearts and minds that the number of antireformers, of people opposed to market relations, among us is literally negligible. True market freedom provides economic freedom—the very foundation of human rights. But we must realize that the strife among us is being bred by no means by the most conscientious people but by those who are using them for mercenary purposes, planting the seed of discord and provocation among the corps of deputies. We cannot allow deputies and citizens to be turned into puppets.

Two. It is very important to have an objective understanding of one another's views and of the social base on which they rest. Deputies' positions and actions, if they are manifested in full accordance with the law and generally accepted morality, must be respected and acknowledged. That is one of the most important signs of a democratic society and of democratic consciousness. Let us remember the immortal words of the classic of European democratism: "I disapprove of what you say, but I will defend to the death your right to say it." This sets out the formula not merely of tolerance, but of democracy itself.

Three. Given this understanding of democracy, it seems to me, the party factions are called upon to play a serious role. Unfortunately, I think, the Supreme Soviet underestimates their role. But we must literally nurture these factions as the harbingers of future parties.

Modern democracy is based on a multiparty system. Powerful parties supported by social strata are the main factor preventing modern democracies from degenerating into some kind of autocratic regime. Effective institutions of representative power cannot objectively exist and develop without parties. That is basic to modern democracy. But today there is practically no party that enjoys prestige among society. I do not foresee them emerging as mass parties over the next two or three years. So the calls that are now being made to hold elections to the corps of deputies virtually right away on a multiparty basis are either naive or adventurist. Hence the special vulnerability of representative power in Russia, which is in practice only just emerging but has been instantly transformed virtually into "evil incarnate" by the omnipotent executive bureaucracy, which has arrayed itself in democratic garb.

Four. You should not idealize representative power, of course—neither the Russian Supreme Soviet nor the soviets at various levels. We have long since arrived at the opinion that it may be necessary to reduce the number of soviet deputies by 500-1,000 percent and to clearly demarcate the powers of soviets and the administrations, so that the soviets would be left with the functions of general oversight and approval of the budget, but by no means with executive functions. I hope we will soon be able to adopt appropriate laws.

Five. It should be noted that whereas in the upper echelons of power we are observing a certain exacerbation of contradictions, a process of unification is under way in society itself. Society is by no means split. This is the best evidence that the overwhelming part of society is in favor of the reforms and that it will not accept the new ideologists engaged in a "witch hunt." Therefore serious preconditions are being created for civil harmony. If we fail to grasp this, we will be torn away not only from power, but also from the emerging civil society itself. And the first to be torn away will be the extreme, radical groups seeking at all costs to "drive" people at a faster pace either into the market or into the antimarket.

Six. The removal of tension inside parliament would certainly be aided by its professional development. There are simply unique opportunities for this: studies in the Diplomatic Academy, the Moscow State Institute for International Relations, the Higher Juridical Institute, and the Management Institute. It is important to ensure that this knowledge serves the cause. Studies have already been organized for deputies and the apparatus in the Parliamentary Center, where leading specialists deliver speeches and debates are held. Studies for deputies and apparatus staffers have been begun in the oblasts and krays. The conferences, including international conferences, held under the auspices of the Supreme Soviet and its chambers, commissions, and committees are useful.

There is clearly a certain pattern—the more professionally a person is trained, the greater the extent to which he eschews purely ideological passions and the more he seeks to shun disputes in favor of the specific solution of legislative and practical questions on the basis of the real demands of life. And the more tolerant his position becomes. You would think that in complex conditions when we can really see how badly unity among people is needed in society, we ought to look to one another for support, but unfortunately this is not happening, or is happening only slowly.

At the same time we are seeing people show infinite patience against the background of the rather rapid deterioration in their quality of life. It looks as though this process will be quite long-term. Since the second half of this year there has been a sharp acceleration in the rate of decline in production: 22 percent in July, 27 percent in August, 25 percent in September, 29 percent in October. The recent hike in prices of energy sources, which is literally draining the lifeblood from the regions, has had a particularly pernicious effect on the national economy as a whole, on various sectors of production, and on agriculture. Even on those of them that have begun to adapt to the new conditions.

The decline in agricultural production is causing particular alarm. In the first nine months the country's foreign trade turnover was 27 percent down on last year, and exports were 35 percent down. Natural resources are being squandered. Over the first 10 months of this year retail trade turnover was 40 percent down on last year, which was itself by no means good. Its structure has deteriorated sharply—the proportion accounted for by food has risen to the level of the mid-seventies. In structural terms this is a backward step of almost 20 years. By the end of the year the level of consumption of one-fourth of the population may be below the normative subsistence level.

January's depreciation in the population's savings was so severe that even the current hyperinflationary emission of cash has not properly replenished the family budget: As of 1 October the population's total monetary savings in relation to monthly consumer spending were 3.5 times lower than in 1991, and the figure was 6.9 times lower for organized savings.

A sharp social stratification of people and an increase in the role of mafia and shady structures are occurring. According to the data of the Institute for the Population's Socioeconomic Problems, essentially a polarization of society has occurred: While 10 percent of the population regard themselves as quite affluent, 50 percent identify themselves with the "deprived," 30 percent say they are "hurting," and the remaining 10 percent say they are on the brink of physical survival.

Demographers note that the country is entering a period of natural population loss, of a decrease in the potential health of the new generation of Russians, and of a decline in the level of intellect.

In May-September exports of output that were not matched by return deliveries from the other CIS countries approached 6-8 percent of Russia's GNP. Here is one more detail. According to modest estimates, each month $1 billion remains abroad in illegal accounts belonging to enterprises and citizens. The recent deterioration of the situation among the leadership and the rumormongering about the introduction of presidential rule have shocked entrepreneurs, who have adopted a course of immediately suspending investment, transferring resources to nearby foreign lands, and selling off property. All this confirms the justice of our former harsh assessments and of the main ideas set out, in particular, in the report in the Supreme Soviet in April of this year.

The main ones among these assessments are the following.

The government did not carefully study the forms and methods for the influence of financial levers on the economic situation in the country and production, "lost" them, and did not link them with the true state of Russia's economy. The economic environment that really existed in Russia required specific, profoundly well thought-out decisions, and required that those decisions be followed up and adjusted. Unfortunately, this was not done.

Our main mistake was that we reduced the economic reform from the start of January 1992 solely to the liberalization of prices while retaining unprecedented monopolism in the country's economy and profound disproportions in it and while there was a total lack of market infrastructures and any conditions for the acceptance of free market prices. The problem of structural transformations and of creating a large-scale sector of small-scale enterprise, which is the foundation of any country's market economy, was left to one side.

As a result, there was a boomerang effect: Instead of stimulation of production there was a further decline in it compensated for by the simple possibility of increasing prices. Moreover, prices did not become free, they became calculated set prices that remained independent of consumer demand. The inflation of demand was replaced by the simple inflation of costs.

Negative processes in the financial and credit system have not been stopped. According to the calculations of the Russian Academy of Sciences Institute of National Economic Forecasting, the continuing of the existing trends in annual terms will lead to a deficit in the financial resources of the budget and the economy of up to 15 percent of GNP, and in view of the shortage of credit resources, the composite deficit is estimated at 27 percent of GNP. The blockade of tax payments by enterprises is being increasingly sharply felt. The budget is receiving only about 40 percent of the prescribed level. As a result the budget deficit over the first eight months totaled over 800 billion rubles [R], approaching the annual projection.

The negative influence of mutual nonpayments is continuing. Enterprises that are often well organized and highly efficient are effectively shutting down. A paradoxical situation is emerging: For the first time in decades industry has a direct and immediate interest in colossally increasing its expenses. The expenditure-based nature of the economy is becoming disastrous.

We must clearly grasp all this, otherwise we will scarcely be able to adopt appropriate legislative acts.

The priority among these is the antimonopoly law. Investment activity has almost been halted and the interest rate for credit is over 100 percent. The exchange rate of the dollar in the currency market has reached R400.

The situation is exacerbated by the transparency of the Russian Federation's borders. In these conditions the strategy of action is to move toward modern forms of a socially oriented market economy. As a means of ensuring the future prosperity of people, their families, and the state and of developing democracy. There is no alternative to it: All the main political parties and business circles, the government, and also much of the population are in favor of such an approach. The differences lie elsewhere: over the model for achieving the aim and the approach toward the means and rate for achieving the strategic aim.

What should be chosen as the main direction of efforts is not so much macroeconomic stabilization as a starting point as ensuring the survival of the economy, preventing a further decline in production and personal consumption, purposefully creating "hotbeds of growth," and selectively preparing the potential for future structural shifts. Overall economic and financial stabilization will be achieved as a result of the implementation of such measures.

For all the difficulties, the Supreme Soviet has focused its main attention on elaborating and implementing economic reform. Dozens of laws opening up opportunities for switching on the mechanisms of the market economy have been adopted: on privatization, conversion, taxes, social protection for the population during the transition to the market... It has also focused its attention on legislation on private ownership of land—unfortunately both the organs of executive power and the mass news media, which frankly distort the problem, are ignorant of the essence of this legislation.

Having said that, the mechanism for implementing this legislation has been insufficiently well worked out.

The elaboration of other important laws is in its final stage: on the adjustment of tax legislation, on foreign investments, on small enterprises, on making amendments to the law on ownership, on the state program for the privatization of state and municipal enterprises in 1993, and others.

In Russia serious reformist steps began to be implemented without sufficient study and regardless of the opinion of parliament and society, often negligently and superficially. These actions ran counter to world experience of implementing reforms, which shows that reforms succeed when they are profoundly grasped, understood, and supported by society.

Parliament must certainly regain the leading role in shaping, approving, and monitoring the government's implementation of socioeconomic policy.

Parliament should learn serious lessons from the unsuccessful start to the transition to a market economy.

First, parliament's role in elaborating the country's development strategy, especially programs for economic renewal, must be resolutely increased. We must definitely proceed on the basis of what is written in the Constitution. The Constitution entrusts parliament with responsibility for "determining the domestic and foreign policy of the Russian Federation."

Second, we must seek to ensure strict maintenance of the strategic course in policy and implementation of parliament's decisions and toughen up monitoring in this sphere. The executive branch must certainly be given great scope here for tactical maneuvering in implementing socioeconomic policy.

Third, it is important to fundamentally strengthen the collaboration between the legislative and executive branches. Maybe we should improve the largely already created mechanism for constant consultation and coordination of actions on major and fundamental questions of domestic and foreign policy.

Fourth, there is a need to increase parliament's role and responsibility in the sphere of cadre policy to ensure that leading posts in the government are filled with parliament's consent and approval and that there is an end to defiant independence and lack of respect for parliament on the part of any officials and state organs. All this demoralizes and disorganizes not only power, but the entire society.

Incidentally, in his Supreme Soviet speech the president, in my view, proposed quite a good basis for strengthening mutual trust: It is merely necessary to put these proposals into practice.

One aspect of the Supreme Soviet's activity is foreign policy activity. We have a great deal to do here, bearing in mind that there is still no clearly defined foreign policy. At the same time parliamentary links are developing dynamically.

It is perfectly clear that relations with the CIS countries must be a priority. We were the initiators of the regular meetings of CIS countries' parliamentary heads and parliamentarians. The result was the creation by the common agreement of a number of states of an interparliamentary assembly, an important instrument for consolidating the young states on a democratic basis.

I am convinced that the development of cooperation and friendship between the CIS countries' parliaments will serve the settlement of conflicts, the civilized resolution of disputes, the building of cooperation, and the strengthening of security and will instill hope in the hearts of the millions of citizens living in these countries. The developing process of exchanges of parliamentary delegations also serves another important task—the improvement of parliamentarians' professionalism and acquisition of appropriate comparative experience.

The ideas of developing parliamentarianism are inscribed in both the current Constitution and the draft new one. They are based on the concept of the separation of powers. World experience testifies that parliamentarianism was a powerful locomotive of progress in what are now the most highly developed countries. It is the main guarantee of the creation of a civil society. There is a direct link between the authority and quality of a parliament and the level of prosperity of its state and people. In all probability this is a worldwide law.

This does not mean absolutizing parliament. Moreover, its most salient qualities can be demonstrated most effectively when the principle that triumphs is that of the separation of powers, the high authority and quality of not only the legislature but also the executive and the judiciary, and the precise distribution of powers, not only horizontally but also vertically—between republics, oblasts, and autonomous oblasts.

This is why parliament must advocate the harmonious development, interaction, and mutual assistance of all branches of power. This is the prime condition for the strength of state power as a whole. Mutual criticism and exactingness between them is no tragedy.

What is intolerable and amoral here, of course, is artificial campaigns built on intrigue and lies, like the kind we are currently experiencing with respect to parliament. Incidentally, parliament as a whole has not stooped to such ploys. But parliament can and must defend itself.

The main factor in increasing parliament's authority and influence is, of course, the improvement of its work, particularly its lawmaking, administrative, and monitoring activity.

There are substantial defects in the activity of the Supreme Soviet, its Presidium, and also the Supreme Soviet apparatus at this time: Deviations from the Constitution and the law are allowed, the structure of the Supreme Soviet's structure is flawed and cumbersome, the workload of commissions and committees is excessive, they duplicate each other, and so forth.

To ensure that adopted draft laws are of a high standard and the legislative system is internally consistent it is necessary to rethink the machinery for expert assessment of drafts, using the Higher Economic Council, the Parliamentary Center, and the Institute of Legislation and Comparative Legal Studies as the basis for this. The basis for work on budget questions could be the Auditing and Budget Committee, and for privatization questions it could be the State Property Fund. The question of the Supreme Court of Arbitration participating in expert assessments of drafts under preparation could also be examined. Other institutions and specialists could also be involved, as is indeed happening.

The signing of the Federation Treaty obliges us to actively involve the components of the Federation in the legislative process. It is necessary to determine more fully and precisely the procedure for examining conclusions and proposals submitted by components of the Federation on draft laws and ensure a real opportunity for their representatives to participate in every stage of draft laws' passage through the Supreme Soviet.

Taking account of the federal nature of the Russian state, thought should be given to a more precise division of labor between the chambers of the Supreme Soviet, and separate sessions of the chambers should be held more often.

The Supreme Soviet's monitoring activity is poor and has little tangible effect. The government often does not even take the Supreme Soviet's instructions into account. Checks of the execution of laws and of executive organs' activity are not carried out, and decisions are not adopted on the basis of checks that are done. The Supreme Soviet must be regularly briefed by the head of government and ministers on the fulfillment of parliament's decisions.

The improvement of parliament's activity depends to a large extent on the professional standard and quality of the corps of deputies and the Supreme Soviet apparatus. Ethical questions are assuming increasing significance. The low standard of some sessions of the Supreme Soviet and its Presidium and of speeches by some people's deputies lower parliament's rating. The dearth of work by the Ethics Commission has a detrimental effect.

We are faced with dynamizing parliament's relations with political blocs, parties, movements, trade unions, and youth and women's organizations and organizing a series of parliamentary hearings on their stands and proposed programs for extricating Russia from the crisis, improving the people's life, maintaining a stable situation in society, and resolving problems of power by exclusively constitutional means.

Khasbulatov Prohibits Deputies From Leaving for Estonia

OW1211171692 Moscow BALTFAX in English 1655 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] The planned November 12th visit by the commission to monitor the observance of the interstate treaty in Estonia was cancelled by Russian Supreme Soviet Chairman Ruslan Khasbulatov. Nikolay Medvedev, chairman of the parliamentary commission on national and state structures and inter-ethnic relations told this to Baltfax.

According to Medvedev, Kkasbulatov announced November 11th that all Russian parliament members were not to leave the country until the Congress of Peoples' Deputies was over. The speaker's order is due to the internal political situation.

Medvedev said that issues concerning providing social guarantees to the Army and their family members would have been discussed at the meeting had it taken place.

He further noted that there have been serious difficulties and delays in the negotiation process due to the fact that the official composition of the Estonian delegation to the negotiating table with Russia has not yet been approved.

Baburin Leads Parliamentary Delegation on Visit to Iraq

LD1111071392 Moscow Russian Television Network in Russian 1700 GMT 10 Nov 92

[From the "Vesti" newscast]

[Text] A Russian parliamentary delegation, headed by Sergey Baburin, is currently in Iraq. The parliamentarians expressed at one of their meetings in Baghdad their admiration for the Iraqis who, as they put it, are opposing imperialist hegemony.

Khasbulatov Comments on Baburin's Remarks

LD1311143192

[Editorial Report] Moscow Programma Radio Odin Network in Russian at 0830 GMT on 13 November carries a 7-minute report by correspondent Aleksandr Ruvinskiy on the proceedings of the Russian Supreme Soviet on 13 November. He begins by saying that deputies will be returning to the law on the cabinet of ministers, and will need to adopt a decision on improving the work of the Supreme Soviet, an issue that was examined at a closed sitting. He adds that a news conference will be held by the Coalition for Reforms at the parliamentary center with regard to the law on government and the introduction of presidential rule.

Ruvinskiy then introduces recorded remarks by Supreme Soviet Chairman Ruslan Khasbulatov. Khasbulatov says: "We would all like to conduct the congress in a peace-loving and businesslike manner, without dragging it out. We want to deal with specific issues that society comes across, not with political points or the like made by some individual deputies or individual leaders. It is not in their interests that we are holding the congress, but in the interests of society. That's why I would like to appeal to this Coalition for Reforms—to tell the truth, I do not know who represents it or what its views are. There is a great deal of noise, but I do not think there is anything serious there. There is no public representation. That is obvious. That is why I would not like these people to say that they express some widespread public opinion, as it is not so. I appeal to the organizers of this so-called reform to give up such methods of applying pressure and I appeal to everyone—let's concentrate our forces on creative activities."

Ruvinskiy continues his report by saying that a deputy from the floor asked about the Supreme Soviet delegation in Iraq. He wanted to know what its purposes are, who is funding it, and on whose behalf Baburin expressed support for Iraq against the so-called U.S. aggression. Ruvinskiy says: "As to the parliamentary delegation led by Sergey Baburin, Khasbulatov gave explanations. This delegation and all its members went purely on their personal initiative. On this foreign trip they are representing themselves personally and not the parliament."

He goes on to say that the Supreme Soviet has ratified an international convention on the status of refugees and adopted a law on insurance in its second reading. Attention was later focused on introducing amendments and addenda to already adopted laws, he states.

Khasbulatov: Japan Should Not Link Ties With Territories

LD1011123692 Moscow ITAR-TASS in English 1116 GMT 10 Nov 92

[By ITAR-TASS parliamentary correspondent Aleksey Tabachnikov]

[Text] Moscow November 10 TASS—Economic help should not be the focus of relations of Western states with Russia, but rather mutually beneficial collaboration, Ruslan Khasbulatov, the speaker of the Russian parliament, said today at a meeting with the Japanese Ambassador to Russia, Sumio Edamura.

Problems of bilateral relations between Japan and Russia and the results of the recently completed international conference on coordinating aid to the ex-Soviet republics were discussed in the talks.

Khasbulatov said the current level of Japanese-Russian relations in different areas "does not allow for adequate development possibilites". He also emphasized that the Russian parliament understands the "exceptional importance of improving relations with Japan" and is prepared to develop them. Concerning the disputed Kuril Islands, the parliamentary speaker said he is against linking the problem with the signing of a peace treaty.

A peace treaty would allow the dispute to be settled on the basis of good-neighborly relations in bilateral talks between the countries, Khasbulatov said.

The Northern Territories, as Japan calls them, were siezed by the Soviet Union at the end of World War II. The Japanese demand their return before signing a peace treaty with Russia to officialy end the conflict between the two countries.

Deputies Accuse Government of 'Clumsy' Nationalities Policy

OW1211174092 Moscow INTERFAX in English 1714 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] The conflict between Ingushes and Ossetians "was in part caused by the fact that the Russian parliament did not work through to the end" the rules approved in the May 1991 law on the rehabilitation of repressed peoples. The statement was made at a Thursday [12 November] press conference by Nikolay Medvedev, the Chairman of the Parliamentary Commission on Ethnic and State Settlement and Ethnic Relations.

In addition, he said, "a fundamental negative role" was played in the conflict by the fact that "the state commission did not manage to cope with its tasks and did not come up with specific legislation for each repressed group." Medvedev further noted that the Russian parliament's commission, which was headed by Supreme Council Deputy Chairman Yuriy Yarov, "worked unprofessionally and halfheartedly" in negotiations with the Chechen leadership. The deputy expressed the opinion that it would make sense to recommend to Chechen leader Dzhokhar Dudayev that he "call on the old Supreme Council of the Chechen-Ingush Republic" to resolve the dispute about the borders between Chechnya and Ingushetiya.

Another participant in the press conference was Umar Temirov, the leader of the parliamentary faction Sovereignty and Equality, who asserted that "the Russian Supreme Council did all it could to raise the status of ethnic republics." He placed blame for the Ingush-Ossetian conflict on the Russian Government, which "plunged the peoples into war with its clumsy ethnic policy." Mukhamadin Tumov, a member of the Parliamentary Commission on Ethnic and State Settlement and Ethnic Relations and a people's deputy from Kabardino-Balkaria, noted at the press conference that "the introduction of Russian forces into Ingushetiya was a mistake." In his opinion, if there is a confrontation between the armed forces of Russian and Chechnya, all the peoples of the North Caucasus will be plunged into war."

Parliament Examines Draft Law on Servicemen's Housing

LD1211212592 Moscow ITAR-TASS in English 2006 GMT 12 Nov 92

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow November 12 TASS—Today deputies of the Russian parliament at a joint session of both chambers introduced amendments to the land code of the Russian Federation, to the law "on privatization of available housing space in the Russian Federation" and the law "on income tax from physical persons." This was done on the Russian president's initiative suggesting that the parliament should introduce changes and additions to these legislative acts arising from the draft of the presidential decree "on measures on the strengthening of social protection of servicemen."

The draft of the presidential decree envisages, specifically, that dwelling-space shall be given free of charge to officers, warrant officers and extended servicemen who served for 20 and more calendar years, and persons discharged from the military service for reasons of age, diseases and staff reduction, or to persons with a restricted state of health and having the length of service of 20 and more calendar years, war veterans and servicemen-internationalists, as well as members of the families of the servicemen who were killed or died of wounds, concussion, injuries and diseases.

Regional Affairs

Magadan Oblast Soviet Rejects Chairman's Resignation

OW1311052992 Magadan Radio Magadan in Russian 0800 GMT 10 Nov 92

[From the oblast newscast]

[Text] The eighth session of the Magadan Oblast Soviet of People's Deputies has concluded its work. The session confirmed the oblast's budget for the current year and the draft budget for 1993 with considerable amendments. The deputies rejected the resignation submitted by Oblast Soviet Chairman Kobets. There were also no elections for deputy chairmen for the Oblast Soviet—they have been postponed until the Constitutional Court passes a final decision on the question of separation of the Chukotka Autonomous Okrug from Magadan Oblast.

Questions taken off the agenda by the eighth session will be discussed tomorrow by the Malyy Soviet.

Dudayev: Chechen Army 'Going Through Hard Times'

PM1311094192 Moscow KRASNAYA ZVEZDA in Russian 12 Nov 92 p 2

[Aleksey Petrov and Ilya Pitalev report: "'No Weapons!' We Saw That Warning on a Barracks in Groznyy"]

[Excerpt] Groznyy-Moscow—[passage omitted] After his trip to Britain, Chechen Republic President Dzhokhar Dudayev wanted to meet with Russian journalists. Right after the press conference we asked him two military questions:

"Mr. President, 24 Chechen cadets are completing their 'flight training.' What planes will your airmen use in the future—U.S., French, or Russian? And when it comes to military building, from whom will Chechnya take its bearings?"

"Chechnya's airmen," the president said diplomatically, "will get everything they need to securely protect the motherland's skies. We will buy weapons where it is most advantageous for us."

Then we asked him how the shortage of officers will be overcome. The president said that a military lyceum will open in the republic soon.

But for the time being, he admitted, the Chechen Army is going through hard times, that much is obvious. Perhaps, that is why the president is pinning his hopes more on a "holy war to the last Chechen" than on his own army to "protect the sovereignty of the Chechen Republic". Chechnya's leader is prepared to lay down his life first if need be, although he hopes that it will not come to that. No matter how relations between Chechnya and Russia shape up today, Dzhokhar Dudayev said that he still advocates a single defense, financial, and economic area, although the president does stipulate that this must be within the boundaries of the former Union.

We wanted to tell him about our visit to the main staff. Then, however, we reconsidered. After all, Mr Dudayev is already well aware of that.

Novosibirsk Soviet Reverses Demands for End to Presidency

PM1311095792 Moscow ROSSIYSKIYE VESTI in Russian 11 Nov 92 p 1

[Andrey Illarionov report: "Novosibirsk: Deputies Became Heated Then Soon Calmed Down"]

[Text] The recent events in Novosibirsk have gotten all of Russia worked up—the oblast soviet's 12th session recommended that the coming Congress of Russian People's Deputies revoke the additional powers granted to the Russian Federation president, remove the articles from the country's Constitution which define the institution of the presidency in Russia, and demand that Boris Yeltsin revoke all the government's edicts and decrees which "contradict current legislation"(?!)

Thank God that people with strong nerves have emerged in Novosibirsk. Oblast Administration Chief V. Mukha registered a protest against the soviet's decisions and proposed that the deputies urgently call an extraordinary session and review their decision.

This session took place. Again there was much emotion at it. One of the deputies even proposed that the oblast soviet dissolve itself. On this occasion this proposal did not get through, and in the end the deputies resolved by a majority of votes to revoke their decisions concerning the institution of the presidency in Russia and Yeltsin's powers and edicts. Then they concentrated on local problems.

Moscow City Statistics Show 'Unstable Economic Situation'

MK1211113592 Moscow KURANTY in Russian 12 Nov 92 p 4

[Grigoriy Aleksandrov report: "We've Counted Up And Shed a Few Tears..."]

[Text] As you know, statistics know everything, but this knowledge now causes a great deal of sadness. This is confirmed by the Moscow City Statistics Committee, which has prepared an analysis of the capital's socioeconomic development for the first nine months of the year and sent it to the editorial office.

To be blunt, the diagnosis is not comforting. "In the period since the beginning of 1992," the document's authors claim, "an extremely difficult and unstable economic situation has developed in Moscow's economic complex, a situation marked by financial crisis at most enterprises and organizations, high price rises, a severe shortage of material resources, a fall in the population's standard of living, and a rise in unemployment. By the end of the year many of these phenomena are still expected to be with us."

The table showing basic indicators for the capital's development only has four items on the plus side. These being profits in all economic sectors—7 percent up on last year's level; average wages—an 11-fold increase; the population's Savings Bank deposits—72 percent up; and retail commodity turnover at trading outlets—a 6.4-fold increase. Regrettably, the cause of all these achievements is rampant inflation, the devaluation of the ruble, changing prices, and other delights of which the Russian economy in the grip of the toughest of crises has its fill. More than 500 (that is one in two) industrial enterprises have cut production. The Moscow statistics report states that "they failed to supply consumers with output worth almost 114 billion rubles, equivalent to an 82-day industry-wide stoppage in the city."

In Moscow a group of enterprises has already emerged that are simply failing to cope with the effects of reform. At the end of August 200 loss-making enterprises were recorded. In just a month this figure had increased by 60. The bulk of these enterprises are in the computer and domestic services spheres, which is somewhat suspicious since the stated goals for structural reorganization have not impinged on these sectors at all, quite the contrary.

The Moscow City Statistics Committee report also contains another whole series of extremely alarming observations. First, an unprecedented—since liberalization—price hike was recorded in September when, during the last 10-day period alone, prices of foodstuffs rose by a third. While prices on the capital's markets were the highest in Russia at that time.

Second, it is clear even against the backdrop of the general rise in prices for nonfood commodities that the prices of children's clothing and footwear have risen more. Nor have children been "overlooked" in the services sphere—the cost of keeping young Muscovites in preschool establishments has risen a tremendous amount here—1,792.5 percent. In view of these factors it is understandable why Muscovites are in no hurry to have children—Moscow is now 16 percent behind last's year modest figures in this respect. And the capital has had considerably more people pass on—almost 35,000 people—than it welcomed into the world. Another 72,000 Muscovites have left the city by rail and air. Regrettably, there are far fewer people wanting to settle in Moscow.

By and large, there is no comfort to be had. With maybe the exception that the rate of decline in production has somewhat slowed of late, there have been some signs of stabilization in the construction complex, and the pattern of foreign economic activity has improved a little. In themselves these are, of course, pleasing signs, but, first, they are incomparable to the crisis phenomena in terms of scale and, second, I am afraid that they are artificial since they have been observed primarily in areas with an abundant supply of credit.

Sobchak Says West Need Not Fear 'Mass Migration'

AU1111153092 Vienna DIE PRESSE in German 11 Nov 92 p 1

["ho" report: "No Need To Be Afraid of Mass Migration"]

[Text] Vienna—The west need not be afraid of mass migration from the former Soviet Union because unemployment is not very high there, St. Petersburg Mayor Anatoliy Sobchak stressed at an economic conference in Vienna on 10 November that is co-sponsored by DIE PRESSE.

According to Sobchak, polls of St. Petersburg residents show that only 1.5 percent of the respondents want to travel abroad, and even those do not want to leave permanently. "Those who want to emigrate have already done so because the borders are open."

Western investors should now concentrate on preventing an increase in Russian unemployment, Sobchak stressed. This is particularly important for converting the weapons industry to civilian production.

Sobchak said that Russia wants to integrate into the European and international economies. Contrary to a view frequently expressed in the west, however, the country does not aspire to EC membership. "Russia itself is a geographic integration center."

Sobchak was optimistic that Russia will overcome its economic problems.

International Affairs

Prime Minister Asks Paris Club for Help in Settling Debt Question

OW1311050692 Moscow INTERFAX in English 1915 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] The Ukrainian Premier Leonid Kuchma hopes for assistance from the Club of Paris, uniting creditor nations in securing a "civilized settlement" of the division of the foreign debt and assets of the former USSR abroad between Russia and Ukraine. He said so at a meeting with the President of the Paris Club of creditor nations Jean Claude Trichet in Kiev on Thursday.

"It is difficult for us to resolve the problem on our own", Kuchma said, "but it would settled quicker and better if there were agreement with Russia on this issue". The Ukrainian Prime Minister claimed that Moscow wanted Kiev to undertake to pay foreign debts and offered nothing in return.

In May 1992 the foreign debt of the former USSR totalled a little more than 70 billion dollars. Under the foreign debt treaty concluded by the former Soviet republics (except for the Baltic ones), Russia's share in the debt totalled 61 percent and Ukraine's - 16.34 percent. The assets of the former Soviet Union abroad have not been evaluated yet and there are no agreements on their distribution between the newly-independent states.

Official Hopes for Resolution of Differences

LD1311123992 Moscow ITAR-TASS in English 1906 GMT 12 Nov 92

[By UKRINFORM correspondent Aleksey Petrunya for TASS]

[Text] Kiev November 12 TASS—Jean-Claude Trichet, president of the Paris Club of creditors, arrived in the Ukrainian capital on Thursday and was received by Ukrainian Prime Minister Leonid Kuchma the same day. A broad range of questions related to the foreign debt of the former USSR and its assets, including those related to Ukraine, was discussed during the conversation.

"We inherited from the former union large debts and the economy in disarray", Kuchma said. "We are grateful to the world community which decided to help us".

Jean-Claude Trichet confirmed the readiness of creditor countries for the deferment of the debts. "We hope, however, that contradictions on this matter between Ukraine and Russia will be overcome", he said.

France Ready To Help Finance Chernobyl Clean-Up

OW1311063092 Moscow INTERFAX in English 1717 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] France is ready to finance a project to safely bury the destroyed fourth energy block of the Chernobyl nuclear power plant and the sarcophagus. France has also pledged to work with international creditors who may fund the problem's solution, announced France's minister of communal economy, housing, and transport, Jean-Louis Bianco, at a press conference Thursday in Kiev.

The minister said France views Ukraine as "an important partner not only in the CIS, but in Europe as well." He reported that during his visit several agreements on collaboration in the sphere of air, automotive, and railway transportation were signed.

National Affairs

Kravchuk Decree Proclaims Monetary Reform

LD1311135592 Kiev Ukrayinske Radio First Program Network in Ukrainian 0600 GMT 13 Nov 92

[Decree on the reform of Ukraine's monetary system issued by President Kravchuk in Kiev on 12 November]

[Text] Proceeding from the stipulations of Ukraine's declaration of state sovereignty regarding introduction of its own monetary unit, and with the aim of fulfilling Article 6 of the Ukrainian law on economic independence, I decree:

1. From 2300 on 12 November 1992, the ruble will no longer be legal tender in Ukraine.

2. The Ukrainian karbovanets, represented in cash circulation by notes issued by the National Bank of Ukraine, will become the only legal means of payment on Ukrainian territory.

3. Article 2 of the Ukrainian president's decree of 19 March 1992 on measures to stimulate external economic activities does not extend to operations with rubles. The cabinet of ministers and the National Bank of Ukraine will submit proposals regarding the procedures and the time at which Article 2 will cease to be effective with regard to other foreign currencies. Article 4 of the same decree of the Ukrainian president will cease to be effective.

4. The Ukrainian cabinet of ministers and the National Bank of Ukraine shall establish the order and the time of withdrawal of ready rubles from circulation on the territory of Ukraine and of revaluation of assets and liabilities of legal and natural persons, both residents and nonresidents, and the bank establishments operating in Ukraine on a one-to-one basis, without restrictions on amounts of money.

5. Accounts of economic, financial, and credit operations and auditing in Ukraine will be done in Ukrainian karbovanets.

6. Economic, trade, financial, credit, and other agreements concluded in rubles between economic entities of Ukraine are subject to implementation in Ukrainian karbovanets.

7. Settlements of all legal and natural persons of Ukraine with subjects of other states shall be made according to international commercial and banking practice in line with the active interstate agreements.

8. In order to preserve mutually beneficial economic relations with states in the ruble zone, a regime of convertibility of the Ukrainian karbovanets in relation to the ruble is being introduced. These currencies will be exchanged according to the exchange rate and the procedures determined by the National Bank of Ukraine.

9. By 11 November 1992 [as heard], the Ukrainian Cabinet of Ministers and the National Bank of Ukraine shall hand over to banks and other senior officials and presidential representatives in localities normative documents on implementation of the reform of the monetary system of Ukraine which ensue from this decree. By 16 November 1992, they shall submit proposals regarding amendments to the effective legislative and other normative acts necessary for the implementation of this decree.

10. Local state administrations are to provide necessary help to banking establishments, enterprises, organizations, and citizens in implementation of measures concerning the reform of the monetary system of Ukraine envisaged by the Ukrainian Cabinet of Ministers and the National Bank.

11. A state commission will be set up to implement of Ukraine's monetary reform. This decree takes effect upon its signing.

President Explains Plan

LD1211215092 Moscow ITAR-TASS in English 2122 GMT 12 Nov 92

[By UKRINFORM correspondent Ivan Sayko for TASS]

[Text] Kiev November 13 TASS—Organisational, technical and other measures to implement a monetary reform begin to operate in Ukraine from eleven p.m. on Thursday. A decree to this effect has been signed by Ukrainian President Leonid Kravchuk. He announced this in his speech on Ukrainian television on Thursday evening.

The reform will be implemented in two stages. The first stage consists of clearing operations with the coupon and of important steps to create a national monetary system on the basis of the Ukrainian karbovanets. The second stage, the introduction of the grivna, will begin after the measures to stabilise the economy and deepen the economic reform. The Ukrainian karbovanets as a new currency will be circulating only with regard to enterprises and other subjects of the economy. There will be full exchange of non-cash roubles for Ukrainian karbovantsi, Kravchuk said.

Some say that the introduction of Ukraine's currency will lead to the rupture of economic ties with partners in Russia and other states of the CIS, but these people refuse to notice that such ties have long been broken, Kravchuk said.

He said that Ukraine now receives an opportunity to restore the broken ties with CIS countries and build them on civilised relations of partnership. Fixing the rate of its currency in accordance with its real purchase power, Ukraine bars from circulation speculative capitals of many billions which parasitises on the use of the unified currency in conditions when there was considerable difference in the level of prices in Ukraine and other countries of the CIS.

Thus, it is precisely clearing operations with the coupon that enable Ukraine to develop mutually-advantageous ties with other states in the rouble zone, the ties that are essential for the existence of the Ukrainian economy. It is for this purpose that internal convertibility of the Ukrainian karbovanets against the rouble is being introduced. This means that Ukraine does not withdraw from the economic zone, but only intends to introduce a system of economic regulation of its commercial and economic relations with other states.

With the introduction of its own currency, Ukraine embarks on a new stage of state construction. It receives the status of a state that fully controls its economic zone, Kravchuk said.

Premier Promises New Ruble Rate

LD1311105592 Moscow ITAR-TASS in English 1028 GMT 13 Nov 92

[By ITAR-TASS correspondents Ivan Ivanov and Sergey Podyapolskiy]

[Text] Moscow November 13 TASS—"The exchange rate of the Ukrainian coupon against the Russian rouble will be fixed next Monday," ITAR-TASS was told by Ukrainian Prime Minister Leonid Kuchma. In his opinion, it will be much cheaper than the rouble, because, as he said, "we shall adhere to the market exchange rate, that is to the spontaneous rate of the coupon. There is no other way," Kuchma said.

Since the coupon is the only national currency in Ukraine as of Thursday, the republic's government intends, according to Kuchma, to eliminate the differences existing in settlements between Ukraine and the other CIS countries. Settlements through "one bottleneck" have negatively affected the economy. "The decision to make the coupon Ukraine's only currency will allow enterprises to operate more effectively," the prime minister stated.

ITAR-TASS has learned from informed sources that Leonid Kuchma and Yegor Gaydar will sign today, after the meeting of the CIS Heads of Government Council now under way here, an agreement on Ukraine's consent to transfer to Russia the right to administer Ukraine's share of the debts and assets of the former USSR. This will remove the main obstacle to the adoption by the "Paris Club" of a decision to restructure the Soviet Union's foreign debt.

Details of Procedures for New Currency

LD1311095092 Moscow ITAR-TASS in English 0824 GMT 13 Nov 92

[Text] Kiev November 13 TASS—Ukrainian President Leonid Kravchuk has issued a decree that effectively marks the beginning of monetary reform, Ukrainian television announced on Thursday.

Under the decree, the Ukrainian karbovanets becomes the only legal tender on the territory of the republic, which will be represented so far by the coupon of the National Bank of Ukraine. Economic, commercial, financial, credit and other agreements concluded by Ukrainian economic subjects in roubles should be recalculated in Ukrainian karbovanets, while settlements of all juridical and physical entities of Ukraine with the subjects of other states should be paid in accordance with international trade and banking practice as stipulated by existing interstate agreements.

The reform will be carried out in two stages. The first stage involves introducing the coupon into the non-cash circulation and creating a national monetary system on the basis of the Ukrainian karbovanets. During the second stage the grivna will be introduced only after all the necessary measures have been taken to stabilise the economy and extend economic reform.

The Ukrainian karbovanets is introduced into circulation as a new legal tender only with regard to enterprises and other economic entities. In order to preserve mutually beneficial economic relations with the states of the rouble zone, the Ukrainian karbovanets will be convertible against the rouble. These currencies will be exchanged at the rate and in a procedure defined by the National Bank of Ukraine.

In accordance with the decree, the Cabinet of Ministers and the National Bank of Ukraine issued a resolution making it incumbent on banks located on the territory of Ukraine, their branches and exchange centres to accept roubles from juridical and physical entities between November 13-15, 1992, for exchanging them into coupons or entering into karbovanets accounts in a ratio of one to one without limitations.

Starting with November 16, 1992, money transfers and payments outside Ukraine will be made through corresponding accounts of the National Bank of Ukraine and commercial banks. From the same date rouble earnings received by juridical and physical entities of Ukraine should be sold to banks located on the territory of Ukraine.

With the introduction of its own national currency, Leonid Kravchuk said in conclusion, Ukraine will acquire a status of the state that is in full control of its economic space.

Government To Demand Emergency Authority From Parliament

OW1211234792 Moscow INTERFAX in English 1401 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] Speaking over the national television on Wednesday, Leonid Kuchma, the Ukrainian Prime minister, declared that in the near future the Ukrainian government intended to demand from the parliament to grant the government emergency authorities in order to stabilize the situation in the republic. According to Kuchma, the economic reforms in Ukraine should be "begun from the very beginning."

The Premier advocates two main directions of the republic's economic policy: "literate regulating" for the state sector and "active stimulating" for the private sector. Kuchma stressed the necessity to divide the financial resources of the enterprises and the state, and to create private credit market in order to stop inflation.

"The so called liberalization of prices under monopoly and collapse of economic relations, - Kuchma pointed out, - has led to an uncontrolled situation with the prices." According to the Premier, the real living standard of the population has dropped down "lower than the American level of the great depression of the thirties."

The Prime Minister also said that "Ukraine must and will trade with weapons but it will sell weapons only to those countries which will receive permittance of the world community." Kuchma believes that the state can pursue an independent policy only in that case when the country is economically independent, and Ukraine experiences a 100-percent dependence upon the deliveries of energy resources from Russia.

Joint Efforts Essential

LD1211203192 Moscow ITAR-TASS World Service in Russian 1919 GMT 12 Nov 92

[By UKRINFORM correspondent for TASS]

[Text] Kiev, 12 November—Ukrainian Prime Minister Leonid Kuchma intends to ask the Supreme Soviet for emergency powers to stabilize the economy. He announced this in Kiev today at a meeting with the Ukrainian president's representatives in the localities.

The prime minister stressed that at the present stage it is essential to apply joint efforts to restore control over the work of the state enterprises, reduce budget expenditures, and learn how to collect taxes, satiate the market with goods, restore discipline in ensuring deliveries to CIS countries and, primarily, to Russia, make economic preparations for the switch to the market, and encourage private farming in conditions of free and honest competition with strong collective farms.

Kuchma noted the importance of effective cooperation between the republican government and the local authorities. It is this, he thinks, which will to a large extent decide whether Ukraine will be able to escape from the crisis.

The head of the Ukrainian Government is convinced that it is the proprietor [sobstvennik], in the broad sense of the word, who should become the subject of the economy and not the lumpen or the black marketeer.

Reforms Must Start From Scratch

LD1311110292

[Editorial Report] Kiev Ukrayinske Radio First Program Network in Ukrainian at 0600 GMT on 12 November broadcasts a six-minute report by an unidentified correspondent on Prime Minister Leonid Kuchma's 11 November meeting with representatives of Ukrainian television. Kuchma spoke about the economic crisis in Ukraine.

Speaking about the sudden and dramatic rise in prices since the beginning of this year, Kuchma said this does not mean that economic reform is under way in Ukraine. Wholesale prices of industrial goods have increased by a factor of 22 and oil products by 60 times in the last nine months, while over the same period prices of dairy and similar products either did not change or had increased insignificantly.

Kuchma added that no economy can withstand such a disproportion; the gross national product over the last nine months had fallen 12 percent, while the population's income had increased almost 1 trillion rubles, or 8.7 times. This, he said, means that the real standard of living of the population has dropped to a level lower than that during the Great Depression in the United States. But a reduction in state revenues means that the government cannot increase social programs.

In Kuchma's opinion, Ukraine needs to go back and begin the reform process from the very beginning. He refers to the current situation as "market anarchy" which has resulted in runaway inflation. Enterprises are producing less because they can increase their profits simply by raising prices, and the profits of middlemen are so high that envy among producers grows. In order to solve this problem it is necessary to "encourage, above all, private production of goods with the aim of not only making enough goods but of creating competitive mechanisms," Kuchma stated.

However, the prime minister believes that there should be two economic policies, one for state and one for private production: sensible regulation of the state sector and active stimulation of the private sector. The cabinet of ministers will have to act decisively and dynamically, Kuchma concluded.

Energy Prices Increase for Commercial Consumers

LD1311140692 Kiev UKRINFORM in Ukrainian 1423 GMT 12 Nov 92

[Text] In connection with the increase in price on primary energy carriers (coal, oil, natural gas) and with the aim of securing stable work of the electric power industry during the winter period of 1992/1993, the government has increased the limit coefficients, envisaged by the resolution of the Cabinet of Ministers of Ukraine of 15 April 1992 No. 193, for raising the tariffs on electric power produced by the system of the Minenergo [Ukrainian Ministry of Power Engineering and Electrification] on average by 2.2 times (including for agricultural consumers—2.2 rubles per kilowatt/hour) and on thermal energy produced by the system of the Minenergo on average by 2.3 times.

The specified increase is effective for all commercial groups, but not the general public.

The tariff has been fixed on the electric power produced by the concern Ukratomenergoprom [Ukrainian Atomic Power Industry] for selling it to the state production association Ukrenergo [Ukrainian Power Engineering and Electrification] of the Ministry of Power Engineering and Electrification at the price of 1.26 rubles per kilowatt/hour. This resolution comes into effect on 1 November 1992.

[Issued by] The press service of the prime minister of Ukraine

Officers Transferring to Ukrainian Army

PM1211145492 Moscow KRASNAYA ZVEZDA in Russian 12 Nov 92 p 1

[Report "From Our Information Bureau": "12,000 Officers and Warrant Officers Transferred to Ukraine"]

[Text] This is only 10 percent of the number of servicemen expected to arrive in Ukraine from nearby and distant foreign parts. This was stated, as our correspondent Anatoliy Polyakov reports, by Ukrainian First Deputy Defense Minister Colonel General Ivan Bizhan, speaking to journalists from the newspaper NARODNAYA ARMIYA.

Taking into account that some 100,000 officers are serving in the Ukrainian Army, and that it is planned to have no more than 50,000-60,000 of them, it is clear that a large proportion will have to be discharged. And with housing being provided. Yet the Ukrainian Armed Forces can expect to receive approximately 15,000 apartments in a year.

Rukh Leadership Decides To Expel Radicals

LD1311000192 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1900 GMT 11 Nov 92

[Text] Vyacheslav Chornovil, co-chairman of the People's Movement of Ukraine [Rukh], held a news conference in Kiev today. It was devoted to the events in Lvov. He said that the events in Lvov were provoked by former Communists, who now proclaim ultra-nationalists slogans. Chornovil reported that the decision of the Rukh central leadership—on expelling ultra-radicals from the membership of Rukh—was supported at a conference of the regional organization.

Belarus

Kebich Explains Difficulties in Ties With Russia

OW1311020592 Moscow INTERFAX in English 1732 GMT 12 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] As it was already reported, on Friday the prime ministers of Belarus, Ukraine and Kazakhstan are to meet in Moscow to determine their attitude to Russia's policy toward oil exports.

Prime Minister Vyacheslav Kebich, at a meeting with spokesmen for the local government-sponsored news media, said he is puzzled by the allegations stemming from Russian sources that Russia's leadership intends to revise its earlier agreements on fuel supplies, and impose a tax on oil exports. V. Kebich made it clear that if these allegations prove to be founded, his government will have to take retaliatory measures and impose an up to 40% tax on commodity exports to Russia which will depend on the demand for one Belarusian product or another.

The head of the Belarusian government believes that though the information which aroused his concern was "generated" by Russia's leading structures, its essence stems neither from President Boris Yeltsin, nor from Acting Prime Minister Yegor Gaydar. The main issue faced by the Belarusian government now is to define the relationship with Russia, Kebich said. V. Kebich qualified the charges that he undermines Belarus's statehood and is excessively oriented to Russia as "irresponsible political demagogy", and declared that in the present circumstances the development of independent Belarus will come across great economic difficulties without support from Russia. And these difficulties, he pointed out, will inevitably entail a fall in the living standards. "At the moment Russia sells Belarus oil at the prices which make up about 60% of the world prices," the Belarusian prime minister explained.

According to him, "the political games involving some members of the Belarusian parliament as well as the leaders of certain public organizations and their desire to sting, like a mosquito, our eastern neighbour are unserious and irresponsible".

Elaborating upon the theme of Belarus's relations with Russia, V. Kebich pointed out that at his meeting with Yegor Gaydar in Moscow planned for Thursday and at the conference to be held between the Commonwealth's prime ministers on Friday, he will demand that an end be put to the use of bilateral clearing between CIS members which is "perilous to the ruble-circulation zone and even to the Commonwealth as a whole".

IF [INTERFAX] Note: According to V. Kebich, at present the debt of Russian enterprises to their Belarusian partners makes up 150 billion rubles, while that of Belarusian facilities to their Russian partners only 50 billion rubles, even though the balance of trade is in favour of Russia.

The Belarusian premier also said: he views the need to renounce bilateral clearing at the conference of CIS prime ministers as essential. "The ruble must circulate freely, without clearing," he said. V. Kebich links his hopes that bilateral clearing will be cancelled with the appointment of V. Geraschenko as the chairman of Russia's Central Bank. According to him, V. Geraschenko "has a deep understanding of this problem".

Parliament Suspends Privatization Until Law Passed

LD1211191992 Moscow ITAR-TASS World Service in Russian 1755 GMT 12 Nov 92

[By unidentified BELINFORM-TASS correspondent]

[Text] Minsk, 12 Nov—The Belarusian Parliament today resolved to suspend privatization of state property until a law is passed on destatization and privatization of property in the Republic of Belarus. The decision does not apply to the transfer of housing to private ownership.

The Parliament took this step after the people's deputies heard a report by the republic's procuracy on combating organized crime and corruption. Cases of pilfering of state property were also cited in a speech at a closed session by Belarus KGB Chairman Eduard Shirkovskiy.

The Parliament instructed the Supervision Chamber, the Procuracy, the KGB, the Ministry of Internal Affairs, and the National Bank to check the legality of the sale and resale of state property to physical and legal persons in the last two years, and to prosecute the guilty according to the law.

In view of suggestions voiced during the discussion, the Belarus Supreme Soviet Chairman Stanislav Shushkevich noted that a special decision will be prepared very soon forbidding state employees and their close relatives from taking part in the work of commercial structures.

Anticorruption Measures Insufficient

OW1311020692 Moscow INTERFAX in English 1732 GMT 12 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] On Tuesday Eduard Shirkovskiy, the chairman of the Belarusian state security committee (KGB), delivered a report on the work fulfilled by this department during this year at the closed session of the parliament headed by Stanislav Shushkevich.

At a press conference on Wednesday evening, the head of the Belarusian KGB reported that his report and his responses to the deputies' questions covered, in particular, the problems connected with the intelligence activity of the foreign special services against Belarus. In Shirkovskiy's words, the department headed by him has "concrete materials concerning these facts" at its disposal. The general declared that "he did not rule out a possibility that Belarus would announce protest to appropriate states in the near future."

Addressing the Supreme Soviet, the head of the state security committee focused his attention on the problems concerning struggle with corruption in the state power structures. Shirkovskiy declared that he had "irrefutable facts" testifying to the involvement of several Belarusian Ministers and other leaders in abusing.

The chairman of the Belarusian state security committee called the measures undertaken by Vyacheslav Kebich's government in order to prevent abuse in the republic's power structures "insufficient". Despite the resolution of the Cabinet's head to release "4 senior officials in the rank of ministers" from their posts and to punish several other employees of the Belarusian executive power structures, abuses did not stop, Shirkovskiy pointed out. "Many leaders, senior ones as well, have steeped in corruption," he believes.

Shirkovskiy expressed regret due to the fact that the press had not published his note which he had voiced at the closed session of the Council of Minsters' presidium. The general noted that it contained the lists of 63 facts of different violations of the law committed with the participation of officials. "The note is not allowed to be published," the chairman of the state security committee said making an inkling that "interested forces" were deliberately doing this.

Vyacheslav Kebich, the Prime Minister, expressed his doubt regarding the last quotation of Shirkovskiy. After the press conference of the KGB chief with the representatives of the governmental information mass media, the chairman of the Council of Ministers reported: Shirkovskiy repeatedly declared that he had no data concerning contacts of members of the cabinet with the corruption elements. The Premier declared that he (Kebich) raised the issue about the publication of the note but this had not been done due to the insistence of the KGB chairman. Vyacheslav Kebich promised "to look through the short-hand records" of the closed session of the Council of minsters' presidium and to hand them over to the newspapers.

Moldova

Prime Minister Wants Guarantees on Fuel, Energy Resources

OW1311021492 Moscow INTERFAX in English 1734 GMT 12 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] Prime Minister Andrey Sangheli considers the guarantee of fuel and energy resources to the republic for the autumn/winter period imperative at the present time. He said that this would be the main topic for discussion by Moldova at the meeting in Moscow on Friday of the heads of government of the commonwealth nations.

In an exclusive interview with INTERFAX, Sangheli said that, in the interests of the internal economy, it would be essential to invest national capital in the various energy installations of nations which had rich fuel resources and to receive in exchange the right to supply the product of this investment.

IF [INTERFAX] Note: Moldova requires 70 bn. [billion] rubles per year to acquire essential energy resources. If the republic loses its current most favoured nation status with the ruble zone nations, it would be forced to spend 150 bn. rubles per year, i.e. one and a half times more than national income generates.

Sangheli considered that these plans could be realised in the first instance at the level of interested economic parties who were prepared to take on this risk.

Council Delegate Confirms Commitment to Bilateral Relations

OW1211032192 Moscow INTERFAX in English 1633 GMT 11 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] Dmitriy Mintyanu, Moldova's acting representative on the CIS coordinatory council, has spoken in favour of developing bilateral relations with the former Soviet republics. He considered that the current coordinatory council sitting in Minsk had not set out to develop into a cumbersome organisation to take over the functions ofthe former centralised administration. Mintyanu stressed that the council's aim was to ensure a civilised transition from the unitarian USSR to independent states with equal rights. It was on this basis, he pointed out, that the agreements for discussion when the heads of CIS states hold their meetings were drawn up.

The Moldovan representative said on national television that the future of the republic's membership status of the CIS remained open. His last words concerned parliament, which must make its attitude to the Alma-Ata agreements clear before the next meeting in Minsk.

Snegur Visit to China Yields Cooperation Accords

LD1111174292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1200 GMT 11 Nov 92

[Report by Kulikov; from the "Novosti" program]

[Text] Moldovan President Snegur is back in Bishkek. He arrived there following his visit to China. Here is Vladimir Kulikov from Beijing on the results of the visit.

[Kulikov] President Snegur's visit to China began right after the visit of the Ukrainian head of state. The agenda was similar: guard of honor, national anthems, salutes. The protocol and main goals of the visit were also similar: the arrangement of economic and trade relations; establishment of consular relations; expansion of cultural contacts.

In the course of Snegur's conversations in Beijing with Chinese President Yang Shangkun and meetings with PRC Prime Minister Li Peng, the whole range of these issues was touched upon. A total of 14 documents were signed. The primary document was a joint communique. It touches on fundamental issues of future cooperation: noninterference in one another's affairs; peaceful cooperation; and more favorable trade, as well as other principles on the basis of which China is building its foreign policy. Among other documents and protocols, there is an agreement on scientific and technical cooperation; an agreement on culture and trade credits for the Republic of Moldova valued at 30 million yuan; and a protocol on direct air routes. The air route will link Chisinau and Beijing. It will also serve as an economic, trade, and cultural bridge.

Commission Reports Calm in Dniester Since Peacekeepers' Arrival

OW1111150192 Moscow INTERFAX in English 1420 GMT 11 Nov 92

[Following item transmitted via KYODO]

[Text] On Tuesday [10 November] the joint control commission on the settlement of the Transdniesterian conflict stated that not a single violation of the peaceful settlement process had been registered during the three and a half months after the peace-keeping forces were introduced. Nevertheless, the sitting in Bendery stressed that the peace-keeping forces could not stay in Transdniesteria for an indefinite time.

The commission addressed the Moldovan parliament asking to include into the session's agenda the issue on determining the status of Transdniesteria and on an urgent solution of the problem by political means.

Kazakhstan

Nazarbayev Disappointed by Failure of CIS Economic Integration

OW1311020992 Moscow INTERFAX in English 1733 GMT 12 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] A conference of heads of administration and the chairmen of regional councils organised by President Nursultan Nazarbayev and the Kazakhstan cabinet of ministers has ended in Alma-Ata.

The head of state said in his closing speech that the urgent anti-crisis and economic reform intensification programme which had been prepared had been dictated by the need for the republic to find its own way out of crisis. He said that the Commonwealth nations were not geared towards economic integration, and that his own five initiatives had not received the backing of all members of the Commonwealth at the recent top-level summit in Bishkek.

"We have proved unable to form an economic community," the president pointed out. He expressed his regret over the failure of the plans to form a unified ruble zone and banking alliance.

Nazarbayev nevertheless looked ahead with optimism at the future for economic reform in the republic. He said that Kazakhstan had much to boast of - immense natural reserves, a favourable geographical location, poilitical stability and high authority among the governments of the rest of the world.

The Kazakh leader said that the government sincerely hoped that Russia would see its economic reform programme through, but that he saw little signs of this coming to pass as yet. Nazarbayev described the cabinet's former policy of following the Russians step by step in their reform progrmme a mistake. "Russia has pulled Kazakhstan into shock therapy at the worst possible time," the president stated.

Nazarbayev had, during the course of the conference, expressed his certainty that the radical fortification of the institution of president by steadfast authority would be required if the anti- crisis measures were to be fulfilled. The presidential form of government, he believed, must be enhanced by the new constitution, the draft of which would be submitted for discussion on December 9th. Nazarbayev was in strong favour of the right of impeachment and the right for parliament to be dissolved by the president. He also spoke in favour of the formation of a rebublican council to include high ranking officials from the government and the presidium of the Supreme Council. Nazarbayev stressed that the implementation of his initiative would by no means signify any kind of detriment to representative power. "In three years of office, I have not once presented any reason to be suspected of dictatorial tendencies," he said.

Government Urges Temporary Halt to Privatization Program

OW1311004092 Moscow INTERFAX in English 1403 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] The government of Kazakhstan believes that it is necessary to call a temporary halt to the process of denationalization until the confirmation of a new privatization program and the introduction of a "clear-cut mechanism" for the reappraisal of the fixed assets of manufacturers with respect to inflation. INTERFAX was informed of the decision in an interview with Kazakh Prime Minister Sergey Tereshchenko.

The total cost of privatized state property will be specified after the reevaluation of the fixed assets of manufacturing enterprises.

In order to protect privatization vouchers from inflation, their value will be expressed not in rubles, but rather in conditional units, said Tereshchenko, who also noted that all of the republic's 17 million citizens would be receiving "investment coupons."

Kyrgyzstan

Akayev, Moldova's Snegur Sign Treaty on Interstate Relations

OW1311021092 Moscow INTERFAX in English 1734 GMT 12 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] A treaty on the directives for inter-state relations between Kyrgyzstan and Moldova was signed in Bishkek on Wednesday. President Akayev pointed out after the meeting with President Mircea Snegur that the fact that the traditional terms "friendship and co-operation" had been left out of the title of the document should not be dramatised. In his opinion the signing of the treaty would enhance relations between the two nations. Both sides would go on, in his opinion, to sign a friendship and mutual assistance treaty with emphasis on bi-lateral mutual relations in the future.

Snegur also expressed his republic's special interest in co-operation with Kyrgyzstan. He pointed out that the views of both nations on economic reform and collective security coincided. Regarding the political situation in Moldova Snegur stressed that the main thing was to secure an end to the armed conflict. He said that importance now lay in the definition by international organisations of the border line between the right of nations to self-determination and separatism.

Tajikistan

Foreign Minister Declares Kozyrev Tour Fruitless

OW1311003292 Moscow INTERFAX in English 1402 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] On the eve of the CIS Foreign Ministers meeting in Moscow, in his interview with Interfax Khudoyberdy Khaliknazarov, the Tajik Foreign Minister, declared that the tour of Andrey Kozyrev, the Russian Foreign Minister, to Tajikistan was fruitless. The bloodshed is continuing in Tajikistan; the minister believes that in order to stop it, it is necessary to introduce the state of emergency, and the 201st Russian division should take under its control the situation in the republic.

The minister intends to raise this issue at the today's meeting of the Foreign Ministers and tomorrow in Moscow at the meeting of the CIS heads of governments.

The Minister points out the weakness and inefficiency of the CIS and declares that the Tajik people "does not want already any sovereignty because it has done them no good."

Cease-Fire Call Ignored; Parliamentary Session Impeded

PM1211173992 Moscow IZVESTIYA in Russian 13 Nov 92 Morning Edition p 1

[Report by Aleksandr Karpov: "Tajikistan: Peace Appeal Not Heeded"]

[Text] Dushanbe—The Tajikistan authorities' appeal to the warring armed groupings to cease firing and help organize the work of the republic parliamentary session has gone unheeded.

I would remind you that this proposal was made in a resignation statement by the Supreme Soviet Presidium and Cabinet of Ministers, published on the evening of 10 November. But it is now known that combat actions continued throughout the next day in various conflict zones of the republic. Armed clashes between opponents and supporters of the present authorities took place in the city of Nurek, in Gissarskiy Rayon, and in Kurgan-Tyube Oblast. There are no precise figures on the number of dead and wounded, although there have been casualties on both sides.

Preparations for the parliamentary sitting, whose main aim is to immediately do everything possible to halt the fratricidal war, are taking place in difficult conditions. Traffic on the Dushanbe railroad, disrupted due to sabotage, has still not resumed. Trade and Supply Minister Kh. Saliyev told the IZVESTIYA correspondent's center that stocks of flour, sugar, and oil will last another four-five days. There has been another act of sabotage—there were two explosions on the night of 10-11 November at the Dushanbe-2 goods depot. The fire destroyed warehouses belonging to the main customs administration and customs premises where documents were stored. The criminals have not been found yet.

Nonetheless the public is pinning great hopes on the upcoming parliamentary session. The current Supreme Soviet is the only power structure which is recognized as legal by all political parties, movements, and warring groupings.

"The republic's only escape from the tragic crisis is through the adoption of constitutional decisions and unswerving obedience to these decisions everywhere," S. Dzhurayev, acting republic general prosecutor, said.

Kulyab Movement Vows To Fight for 'Legitimate Powers' Until End

OW1211174792 Moscow INTERFAX in English 1716 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] Fighters from the Kulyab National Movement "will fight to the last drop of blood for the legitimate powers in Tajikistan," announced the movement's field commander, Faizali Sayidov, to INTERFAX. He said the Kulyab opposition "is conducting a righteous struggle," since its main goal is to put ousted President Rakhman Nabiyev back in power through a general national election, and to re-establish the constitutional order of all power structures which existed until May of 1992. At that time, after a demonstration lasting several days, representatives of "Islamic forces" entered power who, the Kulyabis believe, have now fully seized power.

Turkmenistan

Parliament Chairman Receives Islamic Conference Delegation

LD1311113492 Moscow ITAR-TASS in English 1558 GMT 12 Nov 92

[By TURKMENPRESS correspondent for TASS]

[Text] Ashgabat November 12 TASS—Sakhat Muradov, chairman of the Majlis of Turkmenistan, on Thursday received a delegation of the Organisation of the Islamic Conference (OIC) [ICO], led by Secretary-General Dr Hamid Algabid.

The main purpose of the visit is to get acquainted with the country's home and foreign policies, the economy and culture, Mr Algabid said during the meeting.

This interest is not fortuitous because in June 1992 Turkmenistan was one of the first among former republics of the Soviet Union to become an OIC member.

During talks with the Turkmen side, the delegation members expressed satisfaction with the political course of the government of Turkmenistan—the position of non-interference in internal affairs of sovereign countries.

The Turkmenistan parliament chief assured the guests that the country is prepared in every way to promote OIC efforts towards resolving issues connected with a settlement of Muslims' relations with the peoples who profess other religions and live at the world's flashpoints.

Armenia

President Ter-Petrosyan Discusses 'State of Affairs'

PM1211211192 Moscow IZVESTIYA in Russian 13 Nov 92 Morning Edition p 2

[Interview with President Levon Ter-Petrosyan by Sergey Bablumyan in Yerevan; date not given: "Ter-Petrosyan: Continuation of Military Actions Leading to Senseless New Casualties"]

[Text] Events in the North Caucasus and in Georgia and the continuing war in Nagorno-Karabakh have somewhat dampened interest in what is happening in Armenia today. Meanwhile, the republic, which is in a state of undeclared war with Azerbaijan, is going through a profound economic crisis necessitating a struggle for survival. This is the grim reality of today.

Armenian President Levon Ter-Petrosyan answered questions from IZVESTIYA's correspondent about the state of affairs in the republic.

[Bablumyan] To what extent have the hopes of seeing Armenia independent been justified, and could the difficulties the republic is encountering today have been foreseen?

[Ter-Petrosyan] For myself and those of like mind, the creation of an independent state is not just a hope or a desire. It is daily work to realize specific tasks. Its results are not always manifested at once. But some achievements are obvious. Armenia has become a full member of the world community. In just over a year we have created new structures of legislative and executive power, privatized land, and laid the foundations of the armed forces. But I regard the maintenance of internal stability as the main achievement. In this respect our republic differs favorably from many CIS countries. Despite the fact that Azerbaijan has tried repeatedly to draw Armenia into a large-scale war, it has failed to do so. Last summer the opposition strove to inflame the situation, but the people did not support it. With their help we prevented matters from going as far as internal clashes. We are developing normal relations with our neighbors—Georgia, Turkey, and Iran—which, in the final analysis, is also a stabilizing factor.

No one ever assumed that our path would be easy. We really are encountering tremendous difficulties at present. The strained relations with Azerbaijan and the instability in Georgia have led almost to a complete blockade of our republic. We have been virtually cut off from the outside world. As a result, industry is on the verge of a standstill, and grain and other food are almost not reaching us. People stand in bread lines for hours.

[Bablumyan] Could the Armenian leadership have foreseen such a turn of events?

[Ter-Petrosyan] Yes. In the situation of the increasing processes of disintegration within the framework of the former Union we were obliged to take appropriate measures in good time. In that sense I do not absolve myself of responsibility.

The situation has begun to improve now. We have found a way to obtain a certain quantity of the most essential foods—grain above all—across the territory of Georgia and Turkey, and also by air.

[Bablumyan] The Azerbaijani leadership has declared that the war in Karabakh will be over by the end of this year. What would this mean, and how does Mr. President see the further development of events?

[Ter-Petrosyan] The first part of your question should probably be addressed, instead, to the Azerbaijani leadership. I can only cite facts that are known to everyone. Armenian cities and Karabakh population centers are being subjected to air raids by the Azerbaijani Air Force, heavy artillery and tanks are being used against peaceful cities and villages, and they are being attacked by large military units. All this makes it possible to assume that the Azerbaijani leadership is still seeking to end the war by annihilating and expelling the indigenous Armenian population of Karabakh. Meanwhile, it is already clear to everyone, I believe, that war cannot resolve this question. The realization that military victories in Karabakh can only be of a temporary nature is probably growing in Azerbaijan too. The continuation of military actions will lead to senseless new casualties.

What will happen now? It is hard to say.... I hope that Azerbaijan will still heed the appeals of the CSCE and the United Nations and that, with the help of these organizations, as well as of countries interested in the peaceful settlement of the conflict, we will succeed in achieving a full and unconditional cease-fire. After this, now in a calm and peaceful atmosphere, it will be possible to discuss the question of Nagorno-Karabakh's status.

[Bablumyan] How did you react, Mr. President, to the report that an Azerbaijani military aircraft has already appeared over Lake Sevan?

[Ter-Petrosyan] Such unprecedented facts transcend even those relations that we have evolved with Azerbaijan today. The incursion into Armenia's airspace is a most gross violation of all international norms.

[Bablumyan] Is the "hand of Moscow" to be felt in what is happening today in Armenia and throughout the Transcaucasus?

[Ter-Petrosyan] I would not speak of the "hand of Moscow," since this combination of words is invested with negative meaning. Of course, Russia has certain interests in our region. But the acuteness of the economic and political problems in Russia itself does not always enable it to pursue a clear-cut, balanced policy toward the Transcaucasus. Well, this is natural for a transitional period. I am sure that the surmounting of internal difficulties will have a beneficial effect on that state's foreign policy. I also cannot fail to mention that Moscow is lending us a helping hand at a difficult time by helping us to obtain grain and food so essential to the republic.

[Bablumyan] The president is increasingly frequently being accused of self-isolation and reluctance to meet with people.

[Ter-Petrosyan] The desire is there, but the opportunity presents itself extremely seldom. Every day I have to resolve a mass of operational problems, and I simply do not have enough time for direct contact with people. But if I do not leave my office, this does not mean that I am ignorant. I know perfectly well what is going on all around, how people live, and how things are for them today. I know all this. Our people are patient and restrained in their manifestations. But these qualities should not be abused. It is necessary to work. As soon as even the smallest opportunity presents itself, I will certainly meet with people.

[Bablumyan] In your statement at the United Nations you declared that Armenia is ready to participate in the creation and implementation of a new world order. How do you see the republic's role in implementing this task?

[Ter-Petrosyan] This is a big, complex question, but I will endeavor to answer it briefly. I believe that the new world order must proceed from the universality of human values. It is not differences, not contradictions, but the unity of the human race that will in the future be the basis of the state policy of all countries. Starting in the early middle ages, Armenia, which is at the crossroads of two civilizations, has striven for these universalities. Today, with the rebirth of the independent Armenian state, we can once again fulfill—this time at a new level—our historic mission of being a link uniting West and East. In the 21st century Armenia will occupy a worthy place not only in world politics and economics but above all, so it seems to me, in spiritual life.

Security Council Discusses 'Blockade,' 'Disaster Zone'

NC1311094692 Yerevan Radio Yerevan International Service in Armenian 1630 GMT 12 Nov 92

[Text] The Armenian Security Council met under President Levon Ter-Petrosyan. The Armenian presidential press service reported that Prime Minister Khosrov Arutyunyan addressed efforts to supply the republic with energy, fuel, and bread. The prime minister said that faced with severed regional transport links, serious political and organizational measures are being taken to extricate the republic from the blockade.

Referring to the tense social situation in Gyumri, the prime minister stressed that the Armenian authorities are taking every step to ease the difficulties faced by Gyumri and the entire disaster zone and to improve the situation there.

Acting State Minister Vazgen Manukyan briefed council members on the progress of the military call-up. His report was considered satisfactory.

President Levon Ter-Petrosyan spoke on certain crucial foreign policy problems and noted that serious prerequisites have now been created to develop and deepen Armenia's traditional ties with Georgia, Russia, and other CIS countries and to establish new ties with the Middle East and West.

Articles Sees 'Definite Progress' in Ties with Turkey

PM1311113992 Moscow ROSSIYSKAYA GAZETA in Russian 12 Nov 92 First Edition p 7

[Karen Topchyan report: "Armenia: From Grain to Diplomatic Relations"]

[Text] Yerevan—Definite progress has been made in Armenian-Turkish relations. This follows the provision by Ankara of a short-term grain loan to Yerevan.

Winter draws on and, according to specialists, the grain situation is going to become even worse. Back at the beginning of September the Armenian leadership asked Turkish Prime Minister Suleyman Demirel to send 100,000 tonnes of grain to Armenia as aid. The first freight cars of grain crossed the Turkish-Armenian border just recently.

This event has received very mixed reactions both in Turkey itself and in Armenia. Turkey, which has its own interests in the Transcaucasus, is not impartial in the Armenian-Azerbaijani conflict and its clear sympathies for Azerbaijan, to which it is ethnically close, are a sensitive issue in Yerevan. Independent observers tend to view Turkey's "grain gesture" as an act of "gratitude" to the Armenian leadership "for its assistance" in the resignation of former Foreign Minister Raffi Hovanissian, because the latter was overtly critical of the history of Armenian-Turkish relations and Turkey's present-day policy.

Hovanissian's withdrawal from the political arena was followed just a few days later by an unscheduled visit to Ankara by Zhirayr Liparityan, an adviser to the Armenian president and one of the most influential figures in his administration. In an interview with the newspaper HURRIYET he stated that, on the question of respect for Turkey's territorial integrity and border, the Armenian Government proceeds from the principles of the United Nations and the CSCE. He went on: "We respect the norms of international law and our principle is to live in peace with our neighbors."

The Armenian representative's conversations in Ankara have brought the establishment of diplomatic relations between Armenia and Turkey closer.

"This is a very important event for the whole region," Ruben Shugaryan, the president's press secretary, believes. "Armenia has stated on several occasions that official relations with its neighbor must be established without prior conditions. It seems that this viewpoint meets with understanding in Turkey...."

Azerbaijan

Parliament Chairman Kamberov Holds News Conference

NC1311082192 Baku Radio Baku Network in Azeri 1700 GMT 12 Nov 92

[Text] Azerbaijani Supreme Soviet Chairman Isa Kamberov held a press conference for local and foreign journalists today. The journalists asked Kamberov questions on the sociopolitical situation in Azerbaijan, the situation in the disputed areas, and the economic opportunities and cultural life in the republic. Replying to the questions, Kamberov discussed the significant responsibility of journalists to improve social views during this tense time. He also said that newspapers and journals must not only suffice to [words indistinct] but should also channel their effort toward the development of Azerbaijan, which has recently achieved its independence.

Kamberov later expressed his views on the criticism leveled by the newspapers at the National Assembly. He said that criticizing the National Assembly's work would be wrong because it has enacted dozens of very important laws since it was established a short time ago. Kamberov said that the laws related to banks and banking work and those related to the establishment of social organizations, the organization of sanitary and epidemiologic services, and the [words indistinct] for military call-up can be regarded as an example. He also stressed that the laws he mentioned were important and said that the media should not underestimate the National Assembly's work.

Kamberov also replied to the questions on the war situation in the disputed areas, the activities of political parties, and Azerbaijan's foreign policy. The journalists thanked Kamberov for his briefing.

Says Relations With Russia Will Not Worsen

LD1211225492 Moscow ITAR-TASS in English 1915 GMT 12 Nov 92

[By AZERINFORM-TASS]

[Text] Baku November 12 TASS—"Relations between Russia and Azerbaijan will not change for the worse even if there is reshuffling in the governing structures of our northern neighbour," Azerbaijan's Parliament Chairman Isa Kamberov said at a news conference here on Thursday.

He believes these relations will not only be based on the principles of a bilateral treaty on friendship, cooperation and mutual security, but will deepen and develop in the future.

Touching upon the relations with Armenia, Kamberov said that "Azerbaijan comes out for the peaceful settlement of the Karabakh problem and we would not like to leave this problem to our successors."

When asked about the U.S. refusal to provide humanitarian aid to Azerbaijan, Kamberov said that "the Azeri people have never cherished and will not cherish hopes for humanitarian aid from other countries."

He believes the decision of the U.S. Congress was prompted by the election campaign of the U.S. President George Bush. However, Kamberov said that the event may negatively affect the Azeri people "who, losing confidence in the Western support, might turn to Turkic and Islamic states."

Condemns U.S. Decision To Block Aid

OW1311055892 Moscow INTERFAX in English 1917 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] At a press conference in Baku today, Azeri Parliamentary Speaker Isa Kamberov pointed out the growing tendency for stabilization in the republic's politics and economy. In his opinion, this does credit to the new leaders and the positive role of parliament in reform.

Speaking on the Azeri-Armenian conflict, the speaker said that "the aim of Armenia's aggression is to impede Azerbaijan's achieving full independence." He pointed out the need to "resolve the issue and exclude the possibility of new acts of aggression." Commenting on relations with Russia, Kamberov said the two countries observed the political, trade and economic agreements concluded recently.

The speaker condemned the U.S. Congress's decision to block humanitarian aid to Azerbaijan as a "double-standard policy". He warned that the "sour feeling left by the decision is impossible not to be taken into account". He did not exclude the possibility of a negative attitude in Azerbaijan to future relations with the United States and the West. Kamberov said the public mind might turn to the Muslim world, Iran in particular.

Gambarov confirmed the Azeri authorities' intention to press Russia for the extradition of ex-President Ayaz Mutalibov charged with plotting last May's coup attempt.

Wants To Solve Karabakh Conflict 'Now'

NC1311070092 Baku TURAN in English 1416 GMT 12 Nov 92

[Text] Baku, 12 Nov (TURAN)—Today chairman of the Azeri Parliament Isa Kamberov announced during the press-conference that there were signs of stabilization of internal political situation in Azerbaijan.

But the head of the parliament stressed that the aggression of the Republic of Armenia against Azerbaijan turned into the obstacle on the way of Azerbaijan to the full independence and was hampering the reforms in economy and policy. In connection with that, Isa Kamberov declared that the leadership of the republic intended to achieve the solution to the Karabakh conflict now, wishing "not to lay this burden on the shoulders of the next generation".

Isa Kamberov denied the statements on the oncoming dictatorship. "Dictatorship and prosperity of economy are the things incompatible to each other. But centralization of power is really necessary in the time of creation of the new state structures and economic links", said he. In a line with that, Isa Kamberov called on the political parties to ease-off or to suspend their political activities to avoid the aggravation of the inner political situation in the transitional period.

Defense Ministry Calls Frontline Situation 'Tense'

NC1311071792 Baku Radio Baku Network in Azeri 0130 GMT 13 Nov 92

[Text] The Azerbaijani Defense Ministry's Analytical Information Center's 12 November communique follows:

The situation in the frontline areas, which was stable for a few days, has become tense once again. Armenian expeditionary corps units launched an attack in northern Karabakh on the night of 11 November. The Russian television network's Vesti program reported that armed Armenian units tried to reoccupy Vaguaz, Arutynagomer, and Kasapet. However, since the report was attributed to Armenian sources, it was unreliable.

According to the information we have received, the enemy attacked our positions in Kasapet at 1900. Our armed forces in the region halted the attack, firing on the armed Armenian units and forcing them to retreat after losing nearly 30 men. Our fighters maintained control of the town and the surrounding heights and evicted the armed Armenians from their positions.

Meanwhile, (Khramet) in Khodzhalinskiy Rayon and Gyunkyshlakh, Seidlyar, Kazanchi, and Yukhary Yemezli in Zangelanskiy Rayon were fired on from Armenian positions with various types of arms last night. The main weight of the attack was [words indistinct].

Dear listeners, the Analytical Information Center has received the following information: Our fighters downed an Mi-24 helicopter belonging to the Armenian expeditionary corps while it was flying over Kazakh at around 0100 [saat bir raddelerinde] on 12 November. The helicopter crashed in flames in an area controlled by our fighters. The Armenians fired on our positions near Kazakh after the incident with various types of arms and [words indistinct].

Foreign Minister Gasymov on Official Visit to Egypt

LD1011150392 Moscow ITAR-TASS in English 1407 GMT 10 Nov 92

[By ITAR-TASS correspondent Georgiy Shelenkov]

[Text] Cairo November 10 TASS—Egypt and Azerbaijan welcome a more active role of the United Nations Organization in ensuring peace and international security, says a joint Egyptian-Azeri statement on results of an official Egyptian visit of Azeri Foreign Minister Tofik Gasymov.

They call for further deepening of positive changes on the international scene, especially the recent ones, says the document.

During the four-day visit, the Azeri official was received by Egyptian President Husni Mubarak to pass him over a personal message of Azeri President Abulfaz Elchibey.

The sides support current efforts to achieve a just peace in the Middle East, says the communique.

Egypt and Azerbaijan confirmed their mutual striving for further consolidation of relations of cooperation in the economy, trade, technology and culture.

Georgia

Shevardnadze Warns Clinton of 'Destructive Forces in Russia'

OW1311115192 Moscow INTERFAX in English 1119 GMT 13 Nov 92

[Following item transmitted via KYODO]

[Text] In a Thursday telephone conversation, Georgian Parliament Chairman Eduard Shevardnadze expressed his concern about the increased activity of "destructive forces in Russia" to American President-elect Bill Clinton. In the event they triumph, warned the Georgian leader, "it will be too late to restore the world order."

Informing the parliamentary deputies in Tbilisi about the conversation, Shevardnadze said that the conversation also touched on the problems of regional conflicts in the former USSR. Clinton, said Shevardnadze, called for a continued high-level dialogue between the United States and Georgia.

Says Peace in Caucasus Depends on U.S.

LD1311092192 Moscow Mayak Radio Network in Russian 0800 GMT 13 Nov 92

[Text] Georgian Head of State Eduard Shevardnadze has had a telephone conversation with U.S. President-elect Bill Clinton. A RIA correspondent learned that Shevardnadze said that peace and stabilization in the near future in the Caucasus will in many ways depend on what the United States does. If we cannot localize conflicts on the territory of the former USSR, then we may face serious danger, Shevardnadze noted.

Bill Clinton said he has been following Shevardnadze's political activities for several years and is pleased that he became head of the Georgian state.

Shevardnadze Visits Sukhumi, Sees 'Less Chances' for Peace

OW1211145592 Moscow INTERFAX in English 1402 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] During his meeting with the people of Sukhumi on November 11, Eduard Shevardnadze, the chairman of the Georgian parliament, declared that the Georgian parliament "was unanimous in its opinion to worthy complete the war in Abkhazia." At the same time, he said, now there were less chances for a peaceful settlement of the Abkhazian-Georgian conflict, the prolongation of which was not in the interests of the republic, than before September 3. (On that day B. Yeltsin, E. Shevardnadze, and V. Ardzinba signed an agreement on cease-fire and on withdrawal of the Georgian and Abkhazian formations from the line of contact—Interfax).

Shevardnadze emphasized that Georgia was waging war not with the Abkhazian people but with "separatists and extremists." Speaking about the situation in Sukhumi, where there has been no electricity and water supply for several days, Shevardnadze promised to restore the power and water supply of the city within two days. If he fails to do this, Shevardnadze declared, then in the near future generators, which are being produced in Armenia at the request of Georgia, will be delivered to Sukhumi.

Says Military Neglecting Duties in Abkhazia

LD1211151592 Moscow ITAR-TASS in English 1119 GMT 12 Nov 92

[By ITAR-TASS string correspondent Tengiz Pachkoria]

[Text] Sukhumi November 12 TASS—Eduard Shevardnadze, Georgian parliament speaker and head of state, accused military authorities for neglecting their duties in Abkhazia which aggravates the situation in the region.

During a three-hour long meeting with the public of the Georgian-controlled capital of Abkhazia late on Wednesday, Shevardnadze admitted that the Georgian leadership "in military issues encounters irresponsibility" and cited as an example the week-long shortages of electricity in Sukhumi.

The shortages emerged after Abkhazians destroyed a power transmission line which has not been yet repaired.

"Misunderstanding" between Shevardnadze and Defence Minister Tengiz Kitovani manifested itself when the latter ordered to take over a Russian ammunition warehouse in Georgia while the former denounced the act.

Shevardnadze assured those present at the meeting in Sukhumi that the new republican parliament deserves trust and is unanimously set to end the war in Abkhazia. The war there "is waged not against the Abkhazian people, but against separatists and extremist who still exist", he said, but added there are "people among Abkhazians who look for a worthy, befitting place in the settlement of the conflict".

Meets Citizens, Inspects Social Problems

LD1311104992 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1500 GMT 12 Nov 92

[Report from Sukhumi by N. Gongadze]

[Text] The knot of the Abkhazian conflict is getting tighter and tighter. Now social problems are emerging, alongside the problems of a military nature. There has been no electricity in Sukhumi for 10 days. Because of this, the city's water pumping station is disabled, and people have to fetch water from springs and wells.

Artillery shells from the Abkhazian side have left their mark on residential quarters, where 38 civilians were wounded and eight killed, on the maternity hospital, on schools, and on bakeries. Because the bakeries cannot function there is no bread, and it has to be flown in from Tbilisi. Here too there are complications. There is hardly any fuel. Those who manage to get on board ship are leaving Sukhumi by sea.

Now we should seriously establish the main priority, which is how to stop the war, and to urgently find a settlement, Georgian Head of State Eduard Shevardnadze stated upon his arrival in Sukhumi. Anxious about the situation, Shevardnadze has himself inspected the city, met with its inhabitants, visited the northern and Tkvarcheli front lines, talked with the soldiers and their commanders, and visited victims' families.

It has been decided that in the next few days Eduard Shevardnadze will present to the Georgian parliament his specific proposals for creating new executive power structures in the autonomous republic of Abkhazia.

Shevardnadze Warns UN on Threat From Abkhazia Conflict

OW1211175592 Moscow INTERFAX in English 1717 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] Eduard Shevardnadze, the chairman of the Georgian parliament, addressed the UN, and primarily the Security Council, to undertake urgent and effective measures to settle the conflict in Abkhazia. In his letter to the UN General Secretary, Butrus-Ghali, he drew attention to the fact that "the limit of time reaches its critical point": confrontation in Abkhazia is deepening, the number of victim grows.

"It is a true fact, - Shevardnadze writes, - that Georgia has honestly fulfilled its obligations foreseen by the Moscow agreement dated September 3 which is systematically violated by other parties - participants of the negotiations." (Russia and Abkhazia) "It's a pity, - the letter states, - but my prognosis concerning the expansion of the conflict area in Caucasus becomes obvious." According to Shevardnadze, a real war has begun in North Ossetia between the Ossetians and Ingushes.

One more war threatens with a catastrophe not only to the Caucasus, Shevardnadze warned. He emphasized that the Yugoslavian example reconfirms once more what destructive consequences can have a delay in settling the situation in the Transcaucasian region.

Navy Commander Denies Blockading Poti

OW1211175092 Moscow INTERFAX in English 1717 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] Captain of the 1st rank Aleksander Dzhavakhishvili, the commander of the Georgian Navy, refuted the messages about the blockade of the Russian naval base in Poti and about the arrival of Igor Kasatonov, the first deputy commander of the Russian Navy, who continues to fulfill the duties of the Black Sea Fleet commander.

In his interview with Interfax on Thursday, Dzhavakhishvili pointed out that the measures undertaken by Georgia to strengthen the regime of entry and departure of ships from the Poti port, necessary under the conditions of the war in Abkhazia, are probably viewed as a blockade. "The Russian sailors do not want to subordinate to this regime", the Georgian commander stated with regret. On October 31 and on November 1 they subjected to fire from a gunboat two Georgian cargo ships which tried to prevent the export of "property belonging to Georgia" from Poti. Dzhavakhishvili said that after this incident we categorically banned the Russian military-transport ships enter the military base and proposed to use the trade port so as the transportation of the servicemen families and the loading of their property would be conducted under our control. On Wednesday [11 November], following "long debates" the landing ship "Krymski komsomolets" entered the trade port.

Dzhavakhishvili reported that the issues concerning the Russian fleet base in Poti would be discussed during the negotiations with the Russian delegation headed by the ambassador at large Feliks Kovalev, which had arrived to Tbilisi. "Georgia will not conduct any nationalization and will not undertake any illegal actions with respect to the Poti brigade of the Russian fleet," the Georgian naval commander underlined. At the same time Dzhavakhishvili reminded that in May the Black Sea Fleet command promised to hand over a part of the Poti brigade property to Georgia. But nothing has been done until now, he emphasized.

Abkhaz Ministry: Georgian Troops Attack Sukhumi Outskirts

OW1211132192 Moscow INTERFAX in English 1111 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] On Thursday morning Georgian troops attacked Abkhaz positions near Shroma, the outskirts of Sukhumi. The Abkhaz Defense Ministry reports that the attack was rebuffed and the Georgians retreated suffering losses. On Wednesday the area was visited by the Georgian leader Eduard Shevardnadze.

According to the ministry, there have been exchanges of fire on the Gumista river near Sukhumi, even though the Georgian side claims that last night was peaceful in the city and its environs.

Defense Minister Reports Casualties in Abkhazia Clashes

OW1311115692 Moscow INTERFAX in English 1119 GMT 13 Nov 92

[Following item transmitted via KYODO]

[Text] The Georgian Minister of Defense reports that as a result of firefights on Thursday evening on the Gumista and Chubara Rivers, the Abkhazians have had five people killed, while the Georgians had one soldier wounded.

The Georgian military command also reports that, obviously, as a result of sabotage, the third and highest floor of the Ritsa Hotel in Sukhumi, where the headquarters of one of the detachments was located, was burned down.

The Abkhazian Ministry of Defense in Gudauta says that last night the Georgians launched a massive attack from two Grad multiple rocket launcher installations on the town of Nizhnyaya Eshera, though it reported no casualties. However, during the attack, it reported, Georgian detachments lost up to ten soldiers in the region around the towns of Shroma and Akhalsheni, to the north of Sukhumi.

In the Ochamir region, reported the ministry, Abkhazian partisans attacked a "cluster" of Georgian forces, inflicting 14 deaths upon them. Among the Abkhazians, according to data from Gudauta, there were no losses.

Estonia

Foreign Minister Visits Sweden; Discusses Russian Pullout

WS1211130592 Tallinn ETA NEWS RELEASE in English 1737 GMT 10 Nov 92

[Text] Tallinn, 10 November 1992—The Estonian Foreign Minister, Trivimi Velliste, on a one-week visit to Scandinavia, met his Swedish counterpart, Margaretha Ugglas, on Tuesday [10 November].

The meeting focused on the problems of Russian troop pullout from the Baltics, the situation of Russian minority in Estonia and the country's wish to join the Council of Europe, Ugglas told a news conference on Tuesday.

"Helsinki Acts on foreign troops will be discussed at the CSCE foreign ministers meeting on December 14," Ugglas said. She also reminded the reporters that Sweden initiated sending a CSCE mission to Estonia's Russian-populated northeast region.

"Hopefully, Estonia's application to join the Council of Europe will be accepted at the council's January session. It is very important for the Nordic parliaments," Ugglas said.

Estonia and Sweden have started negotiations on visa questions, the Swedish Foreign Minister informed the audience.

Velliste thanked the Swedish government for supporting Estonia and expressed regret that Estonian vessels have smuggled people to Sweden. The Estonian border guard is not yet able to effectively control the country's borders, Velliste said.

As for the suspension on Russian troop pullout, the information received is contradictory, Velliste said, adding that Estonia will not be satisfied before total troops pullout.

Estonia's Citizenship Law "fully corresponds to the similar laws of other European countries", Ugglas told the Swedish press. Estonia's Foreign Minister added that thus far "complaints have come only from Russia, not from Russians residing in Estonia".

Signs Accord on Visa-Free Travel

WS1211131292 Tallinn ETA NEWS RELEASE in English 1725 GMT 11 Nov 92

[Text] Tallinn, 11 November 1992—The three Scandinavian countries, Denmark, Sweden and Norway, will become visa-free for Estonian citizens in the near future, Estonia's Foreign Minister, Trivimi Velliste, told a news conference on Wednesday [11 November].

This will happen during the next year, Velliste said, though no exact date was fixed.

Velliste made an official visit to Denmark and Sweden on November 4-10. He met Danish Foreign Minister, Uffe Ellemann-Jensen, Norway's Foreign Minister, Thorvald Stoltenberg, and Sweden's Foreign Minister, Margaretha Ugglas.

The visit to the Scandinavian countries was successful and several auxiliary agreements were signed, Velliste said.

The Danish government also promised to grant financial help, worth 50 million Danish crowns, to build housing for the Russian military leaving Estonia.

International observers will visit Estonia's Russian-populated northeast soon. Three CSCE experts will also arrive in Estonia to monitor the situation of minorities in the country, Velliste said. It is very important that Europe receive information from direct sources, he added.

Comments on Trip Results

LD1311100892 Tallinn Radio Tallinn Network in Estonian 1500 GMT 11 Nov 92

[Text] We can count on assistance from Denmark, Sweden, and Norway toward Estonia's becoming a member of the Council of Europe and toward the speeding up of the Russian troop withdrawal. Estonian Foreign Minister Trivimi Velliste said this at today's news conference. According to the foreign minister his Danish, Swedish, and Norwegian colleagues have given assurances of their countries' support for Estonia's speedy acceptance as a Council of Europe member. There was no talk of possible deadlines, Velliste said, after returning today from a week-long official visit to Denmark and Sweden. According to Velliste the Danish foreign minister again stated that the Danish Government will allocate 50 million Danish kroner to provide accommodation for the Russian troops withdrawing from the Baltic states. Norway has also proposed similar aid for Russia. So far, however, Norway has not received any kind of reply to its proposal, Velliste said.

President Meri, Azerbaijan Envoy Discuss Relations

WS1211130792 Tallinn ETA NEWS RELEASE in English 1809 GMT 10 Nov 92

[Text] Tallinn, 10 November 1992—Estonia's President, Lennart Meri, on Tuesday [10 November] received the representative of Azerbaijan to Estonia, Fahrad Geydal.

Geydal forwarded Meri a message from Azerbaijan's President, Abulfaz Elchibey, expressing hope to open Estonia's embassy in the state in the nearest future.

Meri and Geydal also discussed citizenship of the Azerbaijanis residing in Estonia. The problem will be solved by the foreign ministers of the two countries, the President's press office informed ETA.

Economic Crisis Expected To Bottom Out by Early 1994

WS1211131792 Tallinn ETA NEWS BULLETIN in English 1025 GMT 11 Nov 92

[From 11 November PAEVALEHT p 4]

[Text] 11 November 1992—Despite the present poor economic situation the bottom will be reached by the end of next year or early 1994, the estimates of the Academy of Sciences Institute of Economy predict according to Science Director of the Institute Teet Rajasalu. The economic decline will continue and the rapid inflation is expected to last until March 1993 when the prices of Estonian products will reach the level of imported goods, he predicted. The volume of production will decrease to ⅛ in 1993 as compared to 1991 and the employment crisis will arrive in the end of 1993, Rajasalu said. By 1994 exports to the West should improve the economic situation but that would need additional investments. As the Estonian economic background is generally unreliable and the legislation inadequate, massive investments cannot be expected, Rajasalu warned. Even if the privatisation was launched immediately, it could improve the state of economy no earlier than in 1995, he said. Last years' estimates predicted the peak of the crisis in the third quarter of this year.

Legislature Adopts Law on Working Routine

WS1211131992 Tallinn ETA NEWS BULLETIN in English 1207 GMT 10 Nov 92

[From 10 November RAHVA HAAL, POSTIMEES, PAEVALEHT p 1]

[Text] 10 November 1992—The Riigikogu passed the law on its working routine yesterday with 57 votes in favour, 4 against and 1 abstention. As in case of the law on standing orders last Thursday, the opposition largely refrained from voting. The working routine bans the parliamentarians from working in the civil service but permits them to hold paid jobs and to take part in private business. Chairman of the parliamentary public law commission Mart Nutt claimed that there was no danger of Riigikogu members influencing the lawmaking in the interests of their business as there are 101 individual members. Yet he stressed that the parliament members cannot be company directors or board members. The first crack in the integrity of the "Fatherland" faction was noticed yesterday as Jaanus Betlem proposed an amendment to the law banning the members from holding any posts besides the seat in the parliament. The amendment was rejected. The Centrists and the Royalists proposed that members should lose their pay for being absent from sessions or commissions without proper reason—a day's wages for every missed workday, but the public law commission proposed to delete the article from the law and the proposal was passed.

The law determines the powers of the Riigikogu members and replacement members, their status and the order of taking oath, as well as the working routine of the Riigikogu Chancellery and the order of enforcing the laws and resolutions of the Riigikogu.

The opposition was still disturbed by the resignation of Matti Pats and several members proposed amendments to the law, according to which the replacement members could have taken their predecessors' seats only after a month. But the proposal was voted down—23 in favour, 38 against.

The Riigikogu administration discussed opportunities of further education of the members. Tartu University, Jaan Tonisson Institute and Estonian Institute of Future Research proposed to organize regular training seminars on the activity of government and opposition coalitions, factions and commissions, considering the lack of parliamentary experience. The training sessions are to begin in November. The administration considered necessary to carry out regular public opinion polls on political matters and the Riigikogu reputation. According to a resolution of the administration each member will have to register his or her absence at the heads of the corresponding faction or commission. The Moderates appointed Mihkel Parnoja the chairman of their faction and Vambo Kaal deputy chairman. Viktor Niitsoo was elected second chairman of the ENIP faction.

Radio, TV Council Formed To Coordinate Broadcasting

WS1211131592 Tallinn ETA NEWS BULLETIN in English 1025 GMT 11 Nov 92

[From 11 November RAHVA HAAL p 1]

[Text] 11 November 1992—The Riigikogu commission of education, science and culture led by Sulev Alajoe discussed the draft of Estonian Radio and TV Council prepared by the Fatherland faction. The drafts presented by the radio and television itself were not discussed at all, although all the people concerned have been interviewed. Alajoe justified the initiative of the Fatherland faction by the catastrophic situation in state radio and the need of a quick decision. The draft will be discussed in the full assembly of the Riigikogu on Thursday, November 12.

Rein Veidemann was on the opinion that the radio and television cannot be owned by the state, but a law is needed to regulate the broadcasting system. "These are special organizations and although paid by the state they should be a separate unit, as far from state control as possible. We should not interrupt their action in no way," Veidemann said.

The most important decision passed in the commission on Tuesday was that the Riigikogu will form a Radio and TV Council which will be coordinating the broadcasting activities, appointing and dismissing the directions of both companies, confirming the statues, plans for the future etc.

Entrepreneurs Ask Government To Clarify Privatization

WS1211131892 Tallinn ETA NEWS BULLETIN in English 1207 GMT 10 Nov 92

[From 10 November 10 PAEVALEHT p 1, 10 November ARIPAEV p 3]

[Text] 10 November 1992—Leaders of the former state enterprises lately privatised by the state—"Eesti Talleks", "Baltika" and Valga Motor Depot—made a joint application to the government, the initiator of the privatisation experiment, demanding answers to the questions emerged in course of this privatisation. It is said in the statement that despite lots of speeches supporting privatisation, the only first examples of realizing it in industry are "Talleks", "Baltika" and "Voit" factories.

Private enterprises "Eesti Talleks", "Baltika" and Valga Motor Depot have presented their applications and business ideas which were accepted and approved by state officials, after which sale and purchase contracts were signed between the state and the private enterprises. Afterwards, the privatised "Eesti Talleks" was taken to court by the same state who won the case—the privatisation of state company "Talleks" to private firm "Eesti Talleks" was stopped. Who will pay for the mistakes of state officials? the entrepreneurs ask. "It is strange that the state is taking itself to court, the privatisation-experiment should be declared finished and the real privatisation started," said head of "Eesti Talleks" Andres Sarri.

Commenting on the "Talleks" process, the Justice Minister Kaido Kama professed that "the case will undoubtedly harm Estonia's reputation in international arena and could even stop investments in Estonian economy."

The entrepreneurs put three questions to the state: where are the guarantees for the privatised firms on their property which has been bought from the state for their own money? How will the property be divided if the sale-purchase turns out : be illegal later? How will the state keep Estonia's reputation on international arena if conflicts like the one between "Standard" and IKEA are finding their way to international press?

Latvia

Supreme Council Extends Government Emergency Power Over Economy

LD1211184192 Riga Radio Riga Network in Latvian 2100 GMT 11 Nov 92

[Text] On Wednesday [11 November] the Latvian Supreme Council, taking into account a request from Godmanis, chairman of the Council of Ministers, resolved to extend the powers assigned to the Council of Ministers and the Commission for the Improvement of Supplies of Food Products until 1 March 1993. It was also decided to ascribe the commission's powers to all internal trade, public catering, and service facilities for privatization.

As Ivars Godmanis described it to the deputies, as a result of the commission's activity, there has been a rapid denationalization of trade facilities in the republic. Many shops are being sold by auction, hired out, or given directly to manufacturing enterprises; there has also been an improvement in marketplaces.

Government Adopts Resolution on Privatization

LD1311144192 Riga Radio Riga Network in Latvian 1830 GMT 12 Nov 92

[Text] At the government session today, a resolution was adopted on privatization of state and local government-owned facilities. The resolution asserts that state-owned facilities which three months ago were included in the list of enterprises to be privatized only for freely convertible currencies may be privatized for Latvian rubles by both local and foreign entrepreneurs, without the application of privatization certificates. By 10 December this list may be supplemented. For those state enterprises which according to the government resolution of 10 August have started working out their privatization plans, these have to be presented to the relevant ministerial department by 18 November. The rest, from 18 November, are to be converted into state ordinance companies, including state joint-stock companies, to be privatized according to law, selling off state capital partly to local and foreign entrepreneurs and individuals for Latvian rubles or privatization certificates.

A resolution was passed on the income of the Customs Department, stating that for customs controls the customs offices are to collect a duty of 3 percent of the minimum monthly wage, to be included in the state budget. In turn, income from customs payments for services, consultations, training of entrepreneurs, and filling in cargo declarations, is to be left at the disposal of the Customs Department. Its tariffs are to be determined by the Ministry of Finance.

The government session confirmed a provisional statute on the state material reserves of the Republic of Latvia, intended to ensure economic stability and, for the purposes of mobilization, to provide for the elimination of the consequences of accidents and natural disasters. Arturs Kodolins, deputy chairman of the Supreme Council Economic Commission, was appointed deputy minister of finance. He will be responsible for taxation policy.

Russian Army Decides To Hand Over Two Military Sites

LD1211174292 Riga Radio Riga Network in Latvian 1400 GMT 11 Nov 92

[Text] The authorities of the Republic of Latvia have received a report that the command of the Russian Northwestern Military Group of Forces has resolved to release the Zvarde and Adazi military sites. Representatives of the local authority in Saldus have been informed that on 23 November the territory of the Zvarde site will be vacated by the Russian soldiers. Information received from the commander of the Adazi site, which is still under Russian command, states that the Adazi site will be handed over to the Latvian authorities possibly by the end of November. In the near future commissions will be formed to determine the (?regulations) for handing over both the Adazi and Zvarde sites.

Note to Russian Foreign Ministry Protests Airspace Violations

LD1211173892 Riga Radio Riga Network in Latvian 1400 GMT 12 Nov 92

[Text] The Latvian Foreign Ministry has sent a note to the Russian Foreign Ministry. It points out that the leadership of the Russian Air Force is completely ignoring the resolution of the Latvian Council of Ministers on the movement of armed forces under Russian jurisdiction in Latvia, as well as regularly violating Latvian airspace. The flights by the Russian fighters are not agreed with the Latvian Defense Ministry.

During the period between 1 October and 2 November this year, Russian Air Force planes carried out 88 Latvian Airspace violations. On 1 November a Russian Air Force transport aircraft made 20 transit flights without the agreement of the relevant Latvian authorities. In addition, flights are continuing from Daugavpils airfield, even though the Russian Air Force has no license to use it.

Trade Unions Demand Jobs, Higher Salaries

OW1311060792 Moscow BALTFAX in English 1859 GMT 12 Nov 92

[From the "9 PM Express-Release"—following item transmitted via KYODO]

[Text] The Latvian Association of Free Trade Unions has collected the first 15,000 signatures appealing the government and the parliament of the republic to guarantee jobs, decent salaries and participation in privatization for the people.

"Once there is have [as received] a million signatures we will get the moral right to speak with the republican leadership on behalf of the people", Chairman of the Latvian Association of Free Trade Unions Andris Silins said in an interview with BALTFAX. He said the economic crisis has reached a critical point. Nearly 40% of Latvian industrial enterprises are at present partially or completely paralyzed. The production of dozens of major plants oriented for the East cannot find any demand. 120 plants have not paid salaries for already several months.

Funds Shortfall Forcing End to Relay of Ostankino TV Programs

OW1311132592 Moscow BALTFAX in English 1122 GMT 13 Nov 92

[Following item transmitted via KYODO]

[Text] Next year, Latvian TV will cease to relay Ostankino programmes because Latvia cannot pay 83.1 million rubles to Russian TV.

This news was revealed Thursday [12 November] by Director of Latvian TV's Channel 1 Diana Ostrovska. She said that Latvia's State Council for Radio and TV is considering the possibility of broadcasting only individual Ostankino programmes. At the request of the Russian side, the future of Ostankino broadcasts in Latvia will be discussed during Russian-Latvian talks.

Lithuania

Landsbergis, Envoy to NATO Meet Press on Russian, European Ties

Blames 'Undefined' Russian Relations

LD1211214292 Vilnius Radio Vilnius Network in Lithuanian 1900 GMT 12 Nov 92

[Text] A news conference was held today in the hall of the Presidium of the Lithuanian Supreme Council. Lithuanian Supreme Council Chairman Vytautas Landsbergis and EC and NATO Ambassador Adolfas Venckus met with Lithuanian and foreign journalists.

The chairman of the Supreme Council reviewed Lithuania's relations with European and international structures. He stressed cooperation with financial and bank structures, noting that if such cooperation had started earlier, it would have greatly eased our situation and protected us from unexpected political aggravations now existing in our relations with Russia.

Addressing Russia's policy toward the Baltic states, Vytautas Landsbergis said that a pattern of anti-Baltic propaganda has been observed for the last two months. It is not integral because Russia raises two issues simultaneously: the army's withdrawal and problems for the Russian minority in the Baltic states.

The chairman of the Supreme Council drew journalists' attention to the fact that both these issues are presented to international public opinion in a peculiar manner—sometimes they are linked, sometimes not. Vytautas Landsbergis said that the situation in the UN is also peculiar. The withdrawal of the Russian Army is on the

General Assembly's agenda and will be examined. President Boris Yeltsin, in his special letter to the UN secretary general, urgently proposed that the problem of Russian minorities in the Baltic states be included in the same session. The chairman of the Supreme Council noted that often these problems are linked in the mass media, too.

The parliament leader said that our relations with Russia are complex and undefined. Our relations with democratic Russia, with reformist Russia, are traditionally good. On the other hand, the lack of definition poses a rather complex task in our policy toward Russia; it is essential to maintain good contacts and endeavor to solve real issues. We must defend our position too and, in some sense, oppose pressure.

Ambassador Adolfas Venckus then made a statement. Vytautas Landsbergis and Adolfas Venckus replied to journalists' questions. The conference was ended by press attache Audrius Azubalis.

Hopeful About Election Outcome

OW1311060592 Moscow BALTFAX in English 1859 GMT 12 Nov 92

[From the "9 PM Express-Release"—following item transmitted via KYODO]

[Text] Chairman of the Lithuanian Supreme Council Vytautas Landsbergis expressed the opinion that results of the upcoming second round of parliamentary elections November 15 will be different from that of the first round. In the first round of elections the overwhelming majority of votes was given to the left Democratic Party of Labor, the former Communist Party, led by Algirdas Brazauskas.

'Inflexible' Baltic Laws Hinder European Memberships

OW1311011292 Moscow BALTFAX in English 1656 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] Lithuania could have joined European organizations this year "if the country were acting alone" said Adolfas Venskus, Lithuanian ambassador to the EC, NATO and the group of G-24 countries. Speaking on Wednesday at a press conference in Vilnius, the ambassador was of the opinion that the EC parliament's permanent committee did not bother to discuss the issue of accepting new members in 1992 due to "our Baltic neighbors' inflexible laws on citizenship."

Venskus and other Lithuanian diplomats participated in the work of a government conference in the republican Foreign Ministry and in the conference on "Lithuania's present and future foreign policy," organized by the Lithuanian foreign ministry.

Foreign Minister Doubts Russia Will Violate Withdrawal Agreement

OW1311061692 Moscow BALTFAX in English 1859 GMT 12 Nov 92

[From the "9 PM Express-Release"—following item transmitted via KYODO]

[Text] Lithuanian Foreign Minister Algirdas Saudargas believes Russia will not violate the agreement on the withdrawal of its troops from Lithuania. "I strongly doubt that under the current international and domestic situation, no matter how grave it is, Russia will dare to violate the corresponding agreements", he told a press conference in Vilnius Thursday.

Democratic Labor's Brazauskas Urges Correcting Reform Course

OW1311010792 Moscow BALTFAX in English 1655 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] "Reforms in Lithuania should not stop, but their course must be corrected as soon as possible, to soften the social consequences," said Algirdas Brazauskas, chairman of the Lithuanian Democratic Labor Party (LDLP).

In the newspaper Tiesa, the LDLP head was confident that the West would not turn its back on Lithuania. "Countries of the West acknowledged Lithuania and support not a specific person or party, but the people, returning to the democratic world," he writes, noting that aid would only be guaranteed if the country developed democratically.

Brazauskas called upon people to throw off all "ideological prejudices and political ambitions" and join the best specialists in the republic's next government. Regarding the idea of the "broad coalition" which the LDLP especially stressed after the first round of elections, Brazauskas said that this does not reflect "the LDLP's weakness or fear of responsiblity...but the desire for agreement within state." According to him, the LDLP is "ready to take responsibility for the country's future."

Brazauskas called upon republican citizens to support candidates from his party in the second round of parliamentary elections. "Only with an absolute majority in the Sejm will we be able to guarantee stability and fulfil our program," he stated.

Presidium Appoints Stankevicius as Envoy to Talks With CIS

OW1211134492 Moscow BALTFAX in English 1119 GMT 12 Nov 92

[Following item transmitted via KYODO]

[Text] The deputy chairman of the Lithuanian parliament and the head of the official delegation to the talks with Russia Ceslovas Stankevicius has been appointed ambassador at large for talks with CIS countries.

The decision was made by the presidium of parliament at the suggestion of Foreign Minister Saudargas. Some time ago the parliamentary committee for foreign affairs discussed the possibility of appointing him the Lithuanian ambassador in Russia, but turned him down.

Christian Democrats Decide Against Coalition With DLP

WS1211130292 Vilnius ELTA NEWS BULLETIN in English 1401 GMT 10 Nov 92

[Text] Vilnius, 10 November 1992—The Lithuanian Party of Christian Democrats has made a decision, according to which, the Party will not participate and join any coalitions with the former communists or the Democrat Labour Party [DLP].

Government Declares Klaipeda Port State Enterprise

LD1211185492 Moscow AEN in Russian 1700 GMT 12 Nov 92

[Text] The Lithuanian Government has issued a resolution confirming the legal status of the port of Klaipeda as a state enterprise not subject to privatization. Future areas of activity for the port have also been established. They are trade, fisheries, passenger transport, ship repair, and shipbuilding. The legal status contains a stipulation that naval ships from other countries may enter the port of Klaipeda only with the permission of the republic's government. Nuclear powered ships are forbidden to enter the port.

Agreement With Moldova on Legal Cooperation Ready

WS1211130892 Vilnius ELTA NEWS BULLETIN in English 1302 GMT 11 Nov 92

[Text] Vilnius, 11 November 1992—Lithuanian specialists prepared a mutual agreement between the Republic of Lithuania and the Republic of Moldova for legal help in civil, family and criminal cases. A work group came to Vilnius, made a few amendments and then approved the text. The document resembles those signed with Russia and Belarus. Legal relations under favourable circumstances will also be signed between Lithuania, Latvia and Estonia; acting Lithuanian Justice Minister Zenonas Juknevicius has left for Tallinn for the signing.

Vagnorius Denies Private Firm Authorized To Buy Weapons

WS1211130192 Vilnius ELTA NEWS BULLETIN in English 1401 GMT 10 Nov 92

[Text] Vilnius, 10 November 1992—The deputy of the Supreme Council Gediminas Vagnorius has presented a report to ELTA where he denies the information announced by the Russian TV that the Former Lithuanian Government headed by him had authorized a private firm to buy weapons.

According to the decision of the Lithuanian Government, only the Ministry of National Defence is authorized to hold negotiations with the corresponding institutions of Russia and to buy weapons to satisfy the minimum need of the Ministry's military structures. The Government has not given any permissions to buy weapons for private persons or commercial firms. If these permissions have been given by officials of the Ministry of National Defence, they will have to answer according to the law.

Russian Army Withdrawing Brigades, Arms, Ammunition

WS1211130992 Vilnius ELTA NEWS BULLETIN in English 1302 GMT 11 Nov 92

[Text] Vilnius, 11 November 1992—Plunge and Pabrade will no doubt be cited in the Lithuanian Independence restoration annals as the first cities to get rid of the former Soviet army; although, it is true that in 1940 they were one of the first to be occupied. A powerful artillery brigade has already left Plung; all armament and ammunition has been removed from the former defence base in Pabrade. This was one of the biggest weapon arsenals in the north west armed forces group; everything from cartridges to tanks. The month of November promises to see an intensive eastward movement of the foreign army. The National Defence Ministry announced that the Russian military has ordered 130 passenger trains, 600 covered cargo wagons, 1250 railway platforms and 200 half wagons until the beginning of December. [sentence as received] Some of the military machinery will leave on their own wheels.

National Defence Ministry officials say that according to the schedule, the 107th division will be led out of the Vilnius and Ukmerge regions; until the New Year, the 7th airborne division should be out of the Marijampole region, the engineering regiment and the pontoon-bridge battalion from Kaunas, a battalion and the radio transmission staff from Taurage and from Radviliskis—the junior military aviation specialist school.